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THE NEW

BRYANT & STRATTON

HIGH-SCHOOL

BOOK-KEEPING:

ADAPTED TO USE IN

BUSINESS COLLEGES, AND THE HIGHER GRADES OF PUBLIC AND PRIVATE SCHOOLS.

By

S. S. PACKARD, New York,

Proprietor of Packard's Business College,

AND

H. B. BRYANT, Chicago,

Founder of the Bryant & Stratton Chain of Business Colleges.

NEW YORK ·:· CINCINNATI ·:· CHICAGO

AMERICAN BOOK COMPANY

BRYANT AND STRATTON'S
BOOK-KEEPING SERIES

Bryant and Stratton's
New Common School Book-Keeping
With Key and Blanks for the same

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New High School Book-Keeping
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Bryant and Stratton's
New Counting House Book-Keeping
For Higher Classes and Business
Colleges

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PREFACE.

THIS book is a revision of Bryant & Stratton's High-School Book-keeping as first published in 1860, and is, in some sense, an improvement. Care has been had, however, to preserve the essential work of the old edition—especially of the "sets" in their order, so that the two editions may be used in the same classes. The transactions of these sets have been so thoroughly tried and approved that it seemed unnecessary to change them. Essential improvements have been made, however, in the presentment of the subject, in the typographical arrangement, and in some matters of detail.

It is claimed for this book that it covers fairly the subject of Book-keeping, and has in it, of instruction and material, sufficient to make a good, clear-headed book-keeper. The first part is devoted to the gradual unfolding of the science of Double Entry, wherein not only are the principles clearly stated, but enforced by ample illustrations and practical work. The plan is here first used of following each fully written set by a set of transactions to be written up by the student, embodying all the principles of the written set.

The special departments of business represented are made to cover a sufficient area to unfold and apply the principles of book-keeping; and no pretense is made to do more than this. The author does not claim that anybody does or should necessarily follow the exact forms here given; but he knows well that they can be followed with propriety and satisfaction; and he also knows that whoever learns well all that the book contains will be able to understand and keep a set of books of whatever form. A slight change has been made in the arrangement of the entries in the Day-Book-Journal of Set IV., the object being to preserve the characteristics of the two books and to make the two parts of the entry distinct. The work of Set V. conveys an adequate idea of the

use of principal books for the original entry, or rather of classifying the record before it reaches the Ledger. The Journal is introduced in this set, but merely as foreshadowing the Ledger. Single Entry Book-keeping is sufficiently presented, and in the order best calculated to teach its characteristics. The changing from Single to Double Entry enables the student to draw the lines of distinction with certainty and understanding. The use of a Columnar Journal in the Farm Set is with a view to enforce its advantages, and the subdivision of the principal account, as suggested at the close of the Journal, exhibits a feature which can be used with much force in various kinds of business.

It is hoped that the few changes which have been made will be recognized as in the line of improvement, and that the clean type of the revised book will commend it to its old and new friends.

INTRODUCTION.

Book-keeping is the systematic record of business transactions.

Business transactions consist in the exchange of valuable things or considerations; hence, Book-keeping is the art through which such exchanges are recorded, and the science which secures a knowledge of their results.

The term *Double* Entry has been applied to scientific Book-keeping, as no full record of a transaction can be made which does not involve at least *two* entries upon the Ledger.

These entries are made in the form of *Accounts*, which is a grouping of opposing items under distinct titles or heads. The items are arrayed on opposite sides of the account, and the difference between the footings of the two sides is a resultant fact relating to the progress or the condition of the business.

The *left* side of an account is called *debit* or debtor (*Dr.*), and the *right* side, *credit*, or creditor (*Cr.*).

Every complete record employs at least two accounts, and requires the sum of the debit and the sum of the credit entries to be equal.

The LEDGER, or book of accounts, is the main book of a set, inasmuch as in it are presented all the facts or results of the business, in such a way as to plainly denote its progress and standing.

The books which precede the Ledger in the order of entry, and from which its materials are gathered, are known by different names, according to the character of the business recorded; such as Invoice, or Purchase-Book, containing the record of goods bought; Sales-Book, containing the account of goods sold; Cash-Book, embracing items of money received and paid, etc.

When, however, but one book is used for the original record it is generally called the DAY-BOOK, and in it are written all the transactions of each day, as they occur.

In transferring the Day-Book entries to the Ledger it is often convenient to use an intermediate book for the purpose of separating the debit from the credit items, and indicating the Ledger accounts to which each is to be carried, or "posted." This book is called a JOURNAL, and may be used separately or combined with the Day-Book.

TRANSACTIONS AND FORMS OF RECORD.

TRANSACTIONS.

1. Doing business in New York, on the first day of July, 1880, we buy of James Monroe, 500 barrels of flour, for which we engage to pay him at some future time, ten dollars a barrel.

2. July 2, we sell to Andrew Jackson, 100 barrels of flour, for which he pays us in cash ten and a half dollars a barrel.

RECORD.

1.—In the Day-Book.

NEW YORK, July 1, 1880.

Check-mark.	Date.	Dollars.	Cents.
✓	Bought of JAMES MONROE, on %, 500 brls. Flour - - - - - @ $10	5000	
	2		
✓	Sold ANDREW JACKSON, for cash, 100 brls. Flour - - - - - @ $10.50	1050	

2.—In the Journal.

NEW YORK, July 1, 1880.

Ledger page.	Date.	Dr. Dollars.	Dr. Cents.	Cr. Dollars.	Cr. Cents.
1	MERCHANDISE - - - - -	5000			
2	JAMES MONROE - - - - -			5000	
	2				
3	CASH - - - - -	1050			
1	MERCHANDISE - - - - -			1050	

Day-Book and Journal combined.

NEW YORK, July 1, 1880.

Date.	Dr. Dollars.	Dr. Cents.	Cr. Dollars.	Cr. Cents.
MERCHANDISE - - - - -	5000			
JAMES MONROE - - - - -			5000	
Bought 500 brls. Flour - - - - @ $10				
2				
CASH - - - - -	1050			
MERCHANDISE - - - - -			1050	
Sold 100 brls. Flour - - - - - @ $10.50				

3.—In the Ledger.

Merchandise. 1

Date.		Dr. Side.				Date.		Cr. Side.			
1880		(*Explanation.*)				1880		(*Explanation.*)			
July	1	James Monroe - - -	1	5000		July	2	Cash - - - - - - -	1	1050	

James Monroe. 2

						1880					
						July	2	Mdse. - - - - -	1	5000	

Cash. 3

1880											
July	2	Mdse. - - - - -	1	1050							

ACCOUNTS.

An ACCOUNT is a collection of items under an appropriate head, so arranged as, by comparison, to exhibit some specific result of business transactions.

Accounts are kept not only with persons but with property and causes, and may be so classified as to show at any time the condition of the business, and the channels through which changes have been wrought.

Each account has *two* sides, the items on one side being exactly opposite in meaning to those on the other, and the difference between the two sides being the real fact or purport of the account. The terms Dr. and Cr., uniformly used to designate these two sides, are significant only as applied to personal accounts.

NAMES OF ACCOUNTS.

The names given to accounts should be, as a rule, significant of their purpose and sphere. This is the practice, except in a few instances, where usage sanctions arbitrary titles.

The accounts defined below are those in most common use, and are classified with reference to a complete showing of results.

1.—ACCOUNTS OF FINANCE.

ACCOUNTS OF FINANCE are those which relate to money or its equivalent, either *owned* or *owed* by the business. The most direct and important of these is

Cash, the mission of which is to contain the orderly record of all moneys received and paid out, and to constantly exhibit by the difference, the amount on hand. The theory of the Cash account is simple, merely requiring the money *received* to be entered on one side (the *debit*), and the money *paid out* to be entered on the other side (the *credit*). Inasmuch as more cannot be paid out than has been received, it follows that if the sides do not equal, the excess must be of the debit side, and must represent the amount of cash on hand.

Bills Receivable. This is the name given to negotiable paper which has come into the possession of the business. It is in the form of promissory notes, or of drafts, wherein the maker (of the note) or the drawee (of the draft) promises to pay to any authorized holder a certain amount of money (mentioned therein) at a certain time and place.* This species of property is of the same nature as cash. It is, in fact, cash *deferred*, its value resting wholly in the fact that, at the time specified, the amount called for will be paid.

The theory of this account is precisely similar to that of Cash account; the "bills" as they come into our possession are recorded at the value written upon them, on the *debit* side of the account, and as they are redeemed, or pass out of our possession, are entered upon the *credit* side of the account. Hence, when they are all redeemed or disposed of, the account will balance or cancel, and until that event, the excess of the debit side will represent the face value of what remain.

Bills Payable. This is the name given to negotiable paper issued and *payable* by us. The difference between Bills *Payable* and Bills *Receivable* is a difference of attitude; that which is Bills Payable to us being Bills Receivable to those who hold our obligations, and *vice versa;* Bills Payable account is *credited* for the face of our

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* The two forms of negotiable paper owe their distinctive characteristics to the differnet circumstances of their origin. A *note* originates with the *payer* or maker and is a voluntary promise; a *draft* originates with the *payee*, and is, first a request, and next, an affirmative response, which is in effect a promise. A note has necessarily two parties, the *maker* and the *payee;* a draft has three parties, the *drawer*, the *payee* and the *drawee*. The maker of a note corresponds with the drawee of a draft, and the payee of a note with the payee of a draft; while the *drawer* of a draft has no equivalent in an unendorsed note; he being in fact and in law an endorser or guarantor. The two forms here given will sufficiently explain the characteristics of each:

NOTE.

$1000 New York, July 1, 1880.

Sixty days after date I promise to pay to the order of Peter Cooper, at the East River National Bank, One Thousand Dollars, value received.

S. S. PACKARD.

DRAFT.

$1000 Chicago, July 1, 1880.

Sixty days after date, pay to the order of Peter Cooper, at the East River National Bank, One Thousand Dollars, value received.

H. B. BRYANT.

To S. S. PACKARD,
New York.

Of the note, S. S. Packard is the *maker*, and Peter Cooper the *payee;* of the draft, H. B. Bryant is the *drawer*, Peter Cooper the *payee*, and S. S. Packard the *drawee*. The undertaking in each case is that S. S. Packard shall pay to Peter Cooper, or to any one whom he may authorize to receive it, one thousand dollars in sixty days, at the East River National Bank. When he has formally recognized this obligation in the case of the draft by writing his acceptance across its face, the draft will have this advantage over the note that two persons instead of one will be held to the payment—for the law constitutes the drawer a guarantor. Hence, to make the note an exact legal equivalent of the accepted draft, it is only necessary that H. B. Bryant should endorse it, or write his name across the back. The three parties will then hold exactly the same relations to each other in the one document as in the other, and the two "bills" will be in all respects, except mere form, identical.

obligations when they are issued, and *debited* when they are redeemed. The excess, if any, will be of the credit side, and will represent our outstanding paper.

Persons. A person may owe us at one time and we may owe him at another, and the obligation may repeatedly shift thus from a resource to a liability, and from a liability to a resource, the varying results being continually shown in a single account. This is because accounts with individuals are kept separately and cannot be conveniently grouped, as in the case of notes and drafts. A personal account is an account with a person, firm, or corporation, kept to show personal indebtedness. It is *debited* when the party gets into our debt, or we get out of his, and *credited* when we get into his debt, or he gets out of ours. A preponderance of the debit side represents an amount owing *to* us, and exhibits a *resource;* a preponderance of the credit side represents an amount owing *by* us, and exhibits a liability.

The accounts above indicated will at any time show the condition of the business, so far as its liabilities of all kinds and its unfluctuating resources are concerned. The resources not coming under this head—embracing all property the value of which is not uniform and fixed—must be ascertained by actual enumeration and valuation.

2.—ACCOUNTS OF BUSINESS.

ACCOUNTS OF BUSINESS are those which mark the active operations and measure progress towards prosperity or adversity. They are to the resources and liabilities shown in Accounts of Finance and inventories as cause to effect. The titles of the main accounts under this division depend wholly upon the nature of the business itself, and are, or should be, significant of its operations. In a business of buying and selling goods, MERCHANDISE account is commonly used to indicate the order, nature, and extent of the principal transactions. In a professional business the main business account would appropriately be called SERVICE or LABOR; in a Commission or selling agency business, COMMISSION, etc.

The following detailed explanations will sufficiently illustrate the character and purpose of Accounts of Business.

Merchandise. The term "Merchandise" covers, in ordinary use, nearly all kinds of movable property, bought and sold. The Merchandise account measures the gain or loss from dealing in merchandise; one side—the *debit*—showing the cost, and the other side—the *credit*—showing the returns. When the goods are all sold, the difference between the sides will indicate the gain or loss. If the result is desired while unsold property remains on hand, the account should first be credited with the value of the unsold, and then the difference taken.

Real Estate. This account is of the same nature as Merchandise, and governed by the same principles. It covers transactions in real estate, as the Merchandise account does in merchandise.

Shipment or Adventure. Goods are sometimes sent away to be sold in another market at the risk of the merchant sending them. In such cases a separate account is kept under the title of Shipment, or "Adventure." The nature of this account is precisely that of Merchandise, and the same theory pertains as to its records. Should the general results of the business be desired before receiving advice from the selling agent, it is proper to reckon the property as a resource at its cost.

Service, or Commission. This title is applicable to the main account of a

professional or agency business. It is *credited* with returns for service, and *debited*, if at all, with such items of outlay as are incurred in the prosecution thereof. The difference will show the net returns.*

Expense. This is an account of convenience, and may be made to cover a greater or less variety of items, according to the purpose or wish of those interested. In reality, all items of expense are logically chargeable to one or more of the main accounts of the business, and the only proper reason for using a separate Expense account is that it may serve a convenience in classifying the sources of gain or loss. The account is *debited* with such items of expense as it is designed to cover, and is never credited except as an offset to an excessive debit. It properly shows a loss.

The foregoing enumeration will sufficiently indicate the purpose of Accounts of Business, though it covers, necessarily, but a small part of the titles in use. It is sufficient to say that whatever statistics of progress or classification of movements or results may be desired can be secured by a proper subdivision of the activities into significant BUSINESS ACCOUNTS.

3.—PROPRIETORSHIP.

The proprietor of a business stands in a distinct personal relation to it, and should be credited under some title for all sums invested, and debited for all sums withdrawn. The same is true whether there be one proprietor or more. Proprietors' accounts are treated, in all respects, as personal.

GENERAL PRINCIPLES.

1.—PROPRIETORS.

The person or persons owning the business should be *credited* under some title for investments when made, and for his or their share of the gain when the same is ascertained. He or they should also be *debited* individually for amounts drawn from the business, and for his or their share of the net loss.

2.—CASH.

Cash account should be *debited* for all money received, and *credited* for all money paid out.

3.—OTHER PEOPLE'S WRITTEN PROMISES.

Bills Receivable account should be *debited* for all notes, drafts, or other written obligations *for which we are to receive* payment, when they become ours, and *credited* when they are paid or otherwise disposed of.

4.—OUR WRITTEN PROMISES.

Bills Payable Account should be *credited* with our written obligations when they are issued, and *debited* when they are redeemed.

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* The term "Service or Commission" may also be used to denote an expense, as when one pays for such service, instead of rendering the service for pay.

5.—PERSONS.

Personal accounts, or accounts with individuals, firms, banks, or other corporations competent to sue or be sued, should be *debited* under their proper titles when they become indebted to us, or we get out of their debt, and *credited* when we become indebted to them or they get out of our debt.

6.—LOSSES AND GAINS.

Causes producing losses or gains in business should be designated in accounts bearing significant titles. Such accounts should be *debited* for all outlays or losses, and *credited* for all returns or gains.

QUESTIONS.

1. What is Book-keeping?—*2.* Of what do business transactions consist?—*3.* In what sense is Book-keeping an *art*, and in what, a *science*?—*4.* Why is the term Double Entry applied to scientific Book-keeping?—*5.* In what form are final entries in Book-keeping made?—*6.* Define an account?—*7.* How is the resultant fact of an account obtained?—*8.* To what do the resultant facts of accounts relate?—*9.* What is the left side of an account called?—*10.* What, the right side?—*11.* What is the smallest number of accounts requisite to contain the full records of a transaction?—*12.* What else is requisite in a complete record of a transaction?—*13.* What is the main book of accounts?—*14.* Why?—*15.* Name some of the books which precede the Ledger?—*16.* What does an Invoice or Purchase-Book contain?—*17.* What, a Sales-Book?—*18.* What, a Cash-Book?—*19.* When one book contains the original record, what is it called?—*20.* In what manner do the records appear in it?—*21.* Is any other book required in order to get the transactions into the Ledger?—*22.* What is such book called?—*23.* What office does this intermediate book perform?—*24.* Is it ever combined with the Day-Book?—*25.* What results are contained in accounts?—*26.* To what end are accounts classified?—*27.* What is the significance of the terms *debtor* and *creditor* as applied to accounts generally?—*28.* In what cases are these terms significant?—*29.* To what extent should account titles be significant?—*30.* What are "Accounts of Finance?"—*31.* What is the purport of the Cash account?—*32.* Why should the difference between the two sides of the Cash account exhibit the cash in hand?—*33.* To what does the term Bills Receivable apply?—*34.* Why are other people's obligations in our hands called *receivable*?—*35.* In what sense do Bills Receivable resemble Cash?—*36.* Upon what does the value of an obligation depend?—*37.* Explain the theory of the Bills Receivable account.—*38.* What are Bills Payable?—*39.* Wherein lies the difference between Bills Receivable and Bills Payable?—*40.* Why may not the *debit* side of Bills Payable account be larger than the *credit* side?—*41.* What does the excess of credits show?—*42.* Explain the characteristics of personal accounts.—*43.* Wherein does a personal account differ from either Bills Receivable or Bills Payable?—*44.* What is shown by a *debit* excess of a personal account?—*45.* What by a *credit* excess?—*46.* What facts can be gathered from the Financial accounts taken together?—*47.* Wherein will they fail to show the exact condition of the business?—*48.* To what source must one look for resources not shown in the Financial accounts?—*49.* What are Accounts of Business?—*50.* In what relation do they stand to the resources and liabilities as shown in Accounts of Finance?—*51.* What rule should be observed in naming the Accounts of Business?—*52.* Explain Merchandise account.—*53.* How may the real showing of the Merchandise account be rendered in case any part of the property remains unsold?—*54.* Wherein does Real Estate account differ from Merchandise?—*55.* Explain Shipment or Adventure account.—*56.* How may this account be utilized in a general statement of the business, in case no account of sales has been received from the agent?—*57.* Explain Service or Commission account.—*58.* In what other sense is this title used?—*59.* Explain Expense account.—*60.* To what other account or accounts are the items in the Expense account properly chargeable?—*61.* Why, then, should there be an Expense account?—*62.* What does the Expense account always show?—*63.* What relation does the proprietor of a business sustain to the business?—*64.* What items appear in a proprietor's account?—*65.* How many general principles are here used to explain Ledger entries?—*66.* Give the purport of Principle 1.—*67.* Of Principle 2.—*68.* Of Principle 3.—*69.* Of Principle 4.—*70.* Of Principle 5.—*71.* Of Principle 6.

INSTRUCTIONS FOR SET I.

The student will bear in mind that the excellence of his work will depend, in a great measure, upon good writing, and especially upon uniformity in style and arrangement. In fact, those who are competent to judge of excellence in Book-keeping will attach greater importance to neatness, uniformity and perspicuity of style and arrangement than to a mere display of pen art. There is, in truth, little occasion for showing off fine penmanship in a set of books. What is demanded is absolute plainness and legibility, with such an arrangement of items and figures as will bring the prominent facts into relief, so that even those who are not skilled in the intricacies of the science will yet be attracted by the apparent perspicuity of the entry. The Day-Book of Set I is presented as a model, and the student is required to copy it with as much exactness as possible. The single money column is ruled in his blank-book, and he is required to place the figures therein in their proper position, so that in adding up the entire columns on each page there will be no excuse for adding units to tens, or tens to hundreds. Care should be taken also, to so arrange the descriptive matter as that the introductory part of the entry—beginning usually with the words, "Bought," "Sold," "Received," "Paid,"—should appear distinct from the particular statement or enumeration of items. This may be done by a "hanging indenture," as in the book—the primary announcement beginning against the vertical ruled line, and the enumeration of items beginning half an inch to the right—or by indenting the first line, and following with the items against the vertical ruled line. For ordinary work the form laid down in the book is the better; but the student is to understand that it is not given as an arbitrary arrangement, not to be deviated from. The object of form in Book-keeping is to present the *facts* of the transactions in the clearest and most satisfactory way, and whatever form is adopted, should be carried out with the utmost particularity. If necessary to that end, the student may rule vertical pencil lines to mark the margin of indentation on the left, as also for the money columns containing the short extensions on the right. The date figures, in the center of the page, should be in exact line, and the ruling between the entries should be clear and uniform.

The DAY-BOOK completed forms the basis of the entire work, and is in all respects an important book. It is the book nearest the transaction, and containing the first record thereof. If any essential fact be omitted from the original entry it will be difficult to supply it thereafter, and any such irregular practice would be considered unbusiness-like, and in case of dispute, would appear at a disadvantage. It is hence of the first importance that the Day-Book record be full and clear, and that there be in it as few erasures and corrections as possible.

The JOURNAL is used to transfer the Day-Book entries to the Ledger. In the example here given, care has been taken to explain, in each case, the reasons for

deciding upon the debits and credits. This is to aid the student on his mental processes, and to show him the importance of referring constantly to the principles as laid down. He will not, of course, copy these explanations, but accept them as the order of reasoning to be adopted in the journal entries hereafter.

As he journalizes the entries, he will check them off in the Day-Book, placing the check-mark (√) opposite each entry directly *after*, and never *before* the journalizing.

Transferring to the Ledger is called "posting," and when an intermediate Journal is used, the work of posting is almost mechanical. The student should remember, however, that no part of his work should be done mechanically—that is, without thought. Of course, in the Journal entry the position of the record in the Ledger is decided, and the actual transfer is a mere ratification of this decision; but unless the student keeps his mind fully upon his work, there is as great liability to err in posting as in any other part of the record.

The first accounts in the Ledger should be those that represent the investment—in the case of a single owner, "Stock," and in case of more than one owner, the names of the separate partners. This is, however, a matter of convenience, and not of necessity. The use of the word "Stock" in lieu of the proprietor's name is arbitrary, and is done in deference to custom.

The following directions may be followed in writing up the Ledger:

First. Open the accounts, writing the titles in the center of the line, as nearly as may be, in a bold, round, neat hand. Appropriate to each account the space necessary for the records which are to appear therein.* The following division of space will apply to this set: *Stock*, 9 lines; *Cash*, 12 lines; *Peter Cooper*, 6 lines; *Merchandise*, 13 lines; *H. D. Stratton*, 9 lines; *Bills Payable*, 9 lines; *Bills Receivable*, 7 lines; *Expense*, 7 lines; *E. G. Folsom*, 6 lines; *J. D. Comstock*, 6 lines; *Loss & Gain*, 7 lines; *Balance*, 10 lines. This appropriation covers not only the necessary lines for the record itself, but also room for ruling up the closed accounts and bringing down the balances.

Second. Begin with the first account in the Journal: see if the amount opposite is in the *debit* or the *credit* column, and take it to the corresponding side of the Ledger, using as an explanation, the *opposite* Journal entry. This explanation, though not for all purposes the best, is yet a fair indication of the transaction, and is ordinarily sufficient. The use of the prefix "To" on the *debit* side of the Ledger, and "By" on the *credit* side is customary, but not necessary. If used at all, however, it should be uniformly used. Take the journal-entries in their course, carrying the amounts to the proper sides of the proper accounts, as indicated, writing, in every instance, the journal-page in the ledger-column for that purpose, and check-marking the entry by writing the page of the Ledger opposite the journal-entry, immediately *after* the posting. The check-marks will thus serve as a guide in reviewing the work, and will enable the accountant to leave and return to his work at any time without danger of confusion.

Of course, when the posting is complete, the sum of the debit and credit entries in the Ledger will equal, just as the same entries equaled in the Journal. The question of the Trial Balance is simply a question of correct posting.

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* In business it is impossible to know how much space each account will require in the Ledger, but it may be approximated. It is well to give sufficient space, thereby avoiding the frequent transfer of the account, as well as to economize by not appropriating too much for any one account. Some prefer a symmetrical division of the Ledger without reference to the actual space required for each account.

NEW YORK, January 1, 1880.

✓	H. B. Bryant invests in business cash amounting to		5000	
	〃			
✓	He owes Peter Cooper on %, to be paid from the business		500	
	3			
	Bought of Wilson G. Hunt, for cash,			
✓	400 yds. English Broadcloths @ $3	$1200		
	200 yds. Domestic Cassimeres @ 1	200	1400	
	5			
✓	Sold Digby V. Bell, for cash,			
	200 yds. Broadcloth @ $4		800	
	6			
✓	Sold H. D. Stratton, on %,			
	10 yds. Broadcloth @ $4		40	
	9			
	Bought of Francis & Loutrel, on our note at 90 days,			
✓	50 reams extra Foolscap @ $3.50	$175		
	20 " Superfine Letter @ 3.	60	235	
	10			
✓	Accepted Peter Cooper's draft on us at 10 days' sight, favor of W. H. Beebe		500	
	12			
	Sold S. S. Packard, on his note at 60 days,			
✓	10 reams Foolscap @ $4.	$40.00		
	5 " Letter @ 3.50	17.50	57	50
	14			
	Bought, on our note at 40 days,			
✓	250 yds. Black French Cloths @ $4		1000	
	〃			
✓	Paid cash for set of books for use of store		20	
	16			
✓	Sold R. C. Spencer, for cash,			
	5 reams Foolscap @ $3.75		18	75
	18			
	Sold E. G. Folsom, on %,			
✓	20 reams Foolscap @ $4.	$80		
	10 " Letter @ 3.50	35	115	
	22			
✓	Received cash of H. D. Stratton, on %		20	
	23			
✓	Paid our acceptance, favor of W. H. Beebe, in cash		500	
	25			
✓	Sold J. T. Calkins, for cash,			
	150 yds. Black French Cloths @ $4.50		675	
	28			
✓	Bought of J. D. Comstock, on %,			
	4 dozen Soft Hats @ $24		96	
	31			
	Paid cash as follows:			
✓	For clerk hire	$ 60		
	For rent of store, one month	100		
	For gas bill	4	164	
			11141	25

NEW YORK, January 1, 1880.

		Dr.		Cr.	
2	Cash, Dr.	5000			
1	To Stock			5000	
	"Stock" is the title chosen to represent the proprietor—in this case, H. B. Bryant. The account is credited with the investment according to *Principle 1*. *Cash* is received by the concern, and is debited according to *Principle 2*.				
	"				
1	Stock, Dr.	500			
3	To Peter Cooper			500	
	Stock is debited for the liability assumed by the concern (*Prin. 1*). *Peter Cooper* is credited, because the concern has assumed to pay him a certain amount, and is therefore indebted to him (*Prin. 5*).				
	3				
4	Merchandise, Dr.	1400			
2	To Cash			1400	
	There has been an *outlay* for merchandise and the account is debited for the amount (*Prin. 6*). Cash was paid out, and is therefore credited (*Prin. 2*).				
	5				
2	Cash, Dr.	800			
4	To Merchandise			800	
	Cash is received and therefore debited (*Prin. 2*). Merchandise causes returns, and is therefore credited (*Prin. 6*).				
	"				
5	H. D. Stratton, Dr.	40			
4	To Merchandise			40	
	H. D. Stratton, Dr. (*Prin. 5*). Merchandise, Cr. (*Prin. 6*).				
	9				
4	Merchandise, Dr.	235			
6	To Bills Payable			235	
	Merchandise, Dr. (*Prin. 6*). Bills Payable, Cr. (*Prin. 4*).				
	10				
3	Peter Cooper, Dr.	500			
6	To Bills Payable			500	
	Peter Cooper is here debited because we have *canceled* our indebtedness to him by promising to pay the amount to another person whom he has authorized to receive it (*Prin. 5*). Bills Payable is credited for our new liability thus assumed (*Prin 4*).				
	The only change wrought in our affairs by this transaction is in the character of the liability. For important reasons, a promissory note is more desirable to the holder than is a personal account. In the former case, the indebtedness is acknowledged; in the latter it is assumed.				
	12				
7	Bills Receivable, Dr.	57	50		
4	To Merchandise			57	50
	Bills Receivable, Dr. (*Prin. 3*). Merchandise, Cr. (*Prin. 6*).				
		8532	50	8532	50

NEW YORK, January 14, 1880.

		Dr.		Cr.	
	Amounts brought forward - - - - - - -	8532	50	8532	50
	"				
4	Merchandise, Dr. - - - - - - - - - - - - - - - -	1000			
6	To Bills Payable - - - - -			1000	
	Merchandise, Dr. (*Prin. 6*). Bills Payable, Cr. (*Prin. 4*).				
	15				
8	Expense, Dr. - - - - - - - - - - - - - - - - -	20			
2	To Cash - - - - - - -			20	
	Expense, Dr. (*Prin. 6*). Cash, Cr. (*Prin. 2*).				
	16				
2	Cash, Dr. - - - - - - - - - - - - - - - - - -	18	75		
4	To Merchandise - - - - -			18	75
	Cash, Dr. (*Prin. 2*). Merchandise, Cr. (*Prin. 6*).				
	18				
9	E. G. Folsom, Dr. - - - - - - - - - - - - - - -	115			
4	To Merchandise - - - - -			115	
	E. G. Folsom, Dr. (*Prin. 5*). Merchandise, Cr. (*Prin. 6*).				
	22				
2	Cash, Dr. - - - - - - - - - - - - - - - - - -	20			
5	To H. D. Stratton - - -			20	
	Cash, Dr. (*Prin. 2*). H. D. Stratton, Cr. (*Prin. 5*).				
	23				
6	Bills Payable, Dr. - - - - - - - - - - - - - - -	500			
2	To Cash - - - - - - -			500	
	Bills Payable, Dr. (*Prin. 4*). Cash, Cr. (*Prin. 2*).				
	25				
2	Cash, Dr. - - - - - - - - - - - - - - - - - -	675			
4	To Merchandise - - - - -			675	
	Cash, Dr. (*Prin. 2*). Merchandise, Cr. (*Prin. 6*).				
	28				
4	Merchandise, Dr. - - - - - - - - - - - - - - -	96			
10	To J. D. Comstock - - -			96	
	Merchandise, Dr. (*Prin. 6*). J. D. Comstock, Cr. (*Prin. 5*).				
	31				
8	Expense, Dr. - - - - - - - - - - - - - - - - -	164			
2	To Cash - - - - - - -			164	
	Expense, Dr. (*Prin. 6*). Cash, Cr. (*Prin. 2*).				
		11141	25	11141	25

1

Dr. (*Amounts drawn out by, and liabilities assumed for the proprietor.*) **Stock.** (*Capital invested by the proprietor.*) **Cr.**

1880							1880					
Jan.	1	To Peter Cooper - -	1	500			Jan.	1	By Cash - - - - -	1	5000	
									Invested - - - - 5000			
									Drawn out - - - 500			
									Net Investment - - $4500			

2

Dr. (*Cash received.*) **Cash.** (*Cash paid out.*) **Cr.**

1880							1880					
Jan.	1	To Stock - - - - -	1	5000			Jan.	3	By Mdse. - - - -	1	1400	
"	5	Mdse. - - - - -	1	800			"	15	Expense - - - -	2	20	
"	16	" - - - - -	2	18	75		"	23	Bills Payable - -	2	500	
"	22	H. D. Stratton - -	2	20			"	31	Expense - - - -	2	164	
"	25	Mdse. - - - - -	2	675							2084	
				6513	75							
		Received - - - 6513.75										
		Paid out - - - 2084										
		Cash on hand - - $4429.75										

3

Dr. (*Our % against him.*) **Peter Cooper.** (*His % against us.*) **Cr.**

1880							1880					
Jan.	10	To Bills Payable - -	1	500			Jan.	1	By Stock - - - - -	1	500	
		Canceled.							*Canceled.*			

4

Dr. (*Outlay.*) **Merchandise.** (*Returns.*) **Cr.**

1880							1880					
Jan.	3	To Cash - - - - -	1	1400			Jan.	5	By Cash - - - - -	1	800	
"	10	Bills Payable - -	1	235			"	6	H. D. Stratton - -	1	40	
"	14	" " - -	2	1000			"	12	Bills Rec'ble - -	1	57	50
"	28	J. D. Comstock -	2	96			"	16	Cash - - - - -	2	18	75
				2731			"	20	E. G. Folsom - -	2	115	
		Outlay - - - - 2731					"	25	Cash - - - - -	2	675	
		Returns - - - 1706.25									1706	25
		*Net outlay** - - $1024.75										

5

Dr. (*Our % against him.*) **H. D. Stratton.** (*His % against us.*) **Cr.**

1880							1880					
Jan.	6	To Mdse. - - - -	1	40			Jan.	22	By Cash - - - - -	2	20	
				40								
				20								
		He owes us - - - - $20										

* The balance here given simply indicates the difference between what has been paid for merchandise bought and what has been received for merchandise sold. It is therefore the "net outlay," but not necessarily the net *outcome*. The value of the goods yet unsold must be placed against this balance, and thus the real gain or loss will appear.

6

Bills Payable.

Dr. (*Our notes redeemed.*) (*Our notes issued.*) *Cr.*

1880						1880					
Jan.	23	To Cash	2	500		Jan.	9	By Mdse.	1	235	
						"	10	Peter Cooper	1	500	
						"	14	Mdse.	2	1000	
										1735	
								Issued 1735			
								Redeemed 500			
								Our notes outstanding, $1235			

7

Bills Receivable.

Dr. (*Others' notes received.*) (*Others' notes disposed of.*) *Cr.*

1880											
Jan.	12	To Mdse.	1	57	50						
		Notes on hand $57.50									

8

Expense.

Dr. (*Outlay.*) *Cr.*

1880											
Jan.	15	To Cash	2	20							
"	31	"	2	164							
		Incidental expenses $184									

9

E. G. Folsom.

Dr. (*Our % against him.*) (*His % against us.*) *Cr.*

1880											
Jan.	18	To Mdse.	2	115							
		He owes us $115									

10

J. D. Comstock.

Dr. (*Our % against him.*) (*His % against us.*) *Cr.*

						1880					
						Jan.	28	By Mdse.	2	96	
								We owe him $96			

STATEMENT OF RESULTS.

The results, as shown in the foregoing Ledger, are here presented in condensed form under the head of "Trial Balance." This term has grown into use, and is significant so far as relates to its character as a *test* of the correctness of the Ledger. Of course, the two sides of all the Ledger accounts, taken together, should be equal; and if the "trial" shows that they are not, the error must be found and corrected. The accounts *may* equal and still the Ledger contain errors; but the balance test is the most available as well as the most reliable and comprehensive. In this case, all the Ledger accounts, with the sums of all the records, are given, thus making the final footing (11141.25) to correspond with the footing of the Day-Book and Journal. This would indicate that no complete entries have been omitted, which might occur without disturbing the equilibrium. This plan, however, is not followed in business, and is given here only as affording all the tests of correctness of which such statements are capable.

Trial Balance.—Face of Ledger.

Dr.					Cr.	
500		*Assumed by the concern*	STOCK	*Invested as capital*	5000	
6513	75	*Received*	CASH	*Paid out*	2084	
500		*Our % against him*	PETER COOPER	*His % against us*	500	
2731		*Outlay*	MERCHANDISE	*Returns from sales*	1706	25
40		*Our % against him*	H. D. STRATTON	*His % against us*	20	
500		*Our notes redeemed*	BILLS PAYABLE	*Our notes issued*	1735	
57	50	*Others' notes received*	BILLS RECEIVABLE	*Others' notes disposed of*		
184		*Outlay*	EXPENSE.			
115		*He owes us*	E. G. FOLSOM.			
			J. D. COMSTOCK	*We owe him*	96	
11141	25		*Equilibrium*		11141	25

Trial Balance of Differences.

		Dr.		Cr.	
STOCK	*Net investment*			4500	
CASH	*Amount on hand*	4429	75		
MERCHANDISE	*Net cost*	1024	75		
H. D. STRATTON	*He owes us*	20			
BILLS PAYABLE	*Our outstanding notes*			1235	
BILLS RECEIVABLE	*Others' notes on hand*	57	50		
EXPENSE	*Incidental expenses*	184			
E. G. FOLSOM	*He owes us*	115			
J. D. COMSTOCK	*We owe him*			96	
	Equilibrium	5831		5831	

GENERAL STATEMENT.

In the Trial Balance of Differences, on the preceding page, we have the same facts shown as in the full statement which it follows; or, rather, while in the full statement we have the *general* results as they appear upon the Ledger, in the statement of differences we have the *net* results of the individual accounts. This is upon the principle of cancellation and presents the suggestive fact that all there is vital in any account is its *excess*, either of debit or credit. An account with equal sides does not affect the business in any way, and is as though it were not; hence, so much of either side as is equaled by the other is, to that extent, canceled—the difference or excess being the real account. Inasmuch, also, as through cancellation an equal amount is suppressed on both sides, the equilibrium is not disturbed, and hence if the general statement balances, the statement of differences must balance also.

The foregoing statements show the condition of the business, so far as it can be shown by the Ledger. There are certain important facts, however, which do not appear—mainly as to the value of property which is bought at one price and sold at another—or which may fluctuate in value. All such property shown in these transactions comes under the head of merchandise, and to enforce the point under consideration we need only to look at the explanation of the Merchandise account as given in the Trial Balance of Differences. We have here the difference between what we have paid for merchandise, and what we have received for it, or the *net cost* of what remains. There is no way of knowing from this exhibit what is the real value of unsold goods, and hence, no way of ascertaining the real condition of affairs. Had we sold our merchandise for the same price for which we purchased it, the difference in the account would be the value of the unsold *reckoned at cost price;* or had we credited Merchandise account for the *cost* only of what was sold, the difference would be the value of unsold, at cost price. But in either case we should have defeated the purpose of the account, which is to know the gain or loss from dealing in merchandise. Of course, if we knew the real value of the unsold goods, we would have only to deduct therefrom the net cost of what has been sold and the difference would be the gain. And this real value must be got at, both for the purpose of ascertaining the gain or loss and of exhibiting the real or net worth. There is but one way of accomplishing it, which is to take an exact inventory or schedule of the property remaining on hand, at its real value. This process is known as "taking an inventory," or "taking an account of stock."

Following is such a schedule of the unsold goods of this business:

Merchandise remaining unsold, Jan. 31, 1880.

190 yds. English Broadcloths	@	$3	570	
200 " Domestic Cassimeres	@	$1	200	
100 " Black French Cloths	@	$4	400	
4 dozen Soft Hats	@	$24	96	
15 reams Extra Foolscap	@	$3.50	52	50
5 " Letter Paper	@	$3	15	
			1333	50

This will afford us the data for getting at the full results of our work as more fully exhibited in the statements which follow:

Statement of Resources and Liabilities with a view to ascertaining the net gain and present worth.

			Resources.		Liabilities.	
Resources.						
1. From the Ledger Accounts.						
Cash, Dr.	*Received*	6513.75				
Cr.	*Paid out*	2084				
	On hand		4429	75		
Bills Rec'ble.	*Notes received and on hand*		57	50		
H. D. Stratton,	Dr.	40				
	Cr.	20				
	He owes us		20			
E. G. Folsom,	Dr. (no credit). *He owes us*		115			
2. From Inventory.						
Merchandise.	Value of unsold		1333	50		
Liabilities.						
1. To outside parties.						
Bills Payable,	Cr. Notes issued	1735				
	Dr. Redeemed	500				
	Our notes outstanding				1235	
J. D. Comstock,	Cr. (no Dr.). We owe him				96	
2. To the proprietor.						
Stock, Cr.	Invested	5000				
Dr.	Drawn out	500				
	Net investment				4500	
	Difference, or net gain				124	75
			5955	75	5955	75

This may be called a complete statement of the condition of the business as it appears Jan. 31, with an indication of the net gain. Now, as the proprietor owns the net resources of the business—denominated the "net worth"—the fact should appear in his account—"Stock." This account already shows the net investment at beginning, $4500, leaving an unappropriated balance, as above, of $124.75. This balance is called a *gain*, because it measures the increase of capital, or of the proprietor's interest. It should be carried to his account, unless withdrawn from the business, thus restoring the account to its proper condition as representing the capital.

The difference between the business at the beginning, Jan. 1, and at the close, Jan. 31, is as follows:

January 1.

Resources.			*Liabilities.*		
Cash	5000		Peter Cooper	500	
			Stock	4500	
	5000			5000	

January 31.

Resources.			*Liabilities.*		
Cash	4429	75	J. D. Comstock	96	
Bills Receivable	57	50	Bills Payable	1235	
H. D. Stratton	20		Stock	4624	75
E. G. Folsom	115				
Merchandise	1333	50			
	5955	75		5955	75

Statement of Losses and Gains.

From the foregoing statement we get a gain of $124.75, which is simply the increase in net worth during the period given. This increase must have occurred at certain times during the business and from certain causes. It would be not only interesting but profitable to understand these causes, and to trace the progress of accumulation through its real channels. This we are enabled to do by analyzing the ACCOUNTS OF BUSINESS, viz.: Merchandise and Expense.

			Losses.		Gains.	
MERCHANDISE.	Returns from sales	1706.25				
	Value of unsold (Inventory)	1333.50				
	Total	3039.75				
	Cost	2731				
	Gain				308	75
EXPENSE.—Outlay (no returns).	Loss		184			
	Net Gain		*124*	*75*		
			308	75	308	75

FINAL RESULTS SHOWN IN THE LEDGER.

The business, in this case, is the buying and selling of goods, and the Merchandise account might with propriety cover the requirements of gauging the loss or gain in the enterprise. The Expense account, however, is made to serve a good purpose, and can be used without detracting from the integrity of the Merchandise account. The final showing is the same, whether the item $184 be charged to Expense or to Merchandise. (See explanation of Expense, page 12.)

The theory enforced in the two statements is simple and self-evident, viz.: that a loss or gain in business shows itself primarily in the increase or diminution of wealth; and next, that such increase or diminution is produced by causes which are clearly set forth in the Ledger. In other words, the movements of a business and the financial results thereof are distinctly and separately presented in the Ledger accounts, under the classification given, wherein the assertion of a gain or loss, as shown in one class, is *ratified* by actual results as shown in the other class.

FINAL RESULTS SHOWN IN THE LEDGER.

The open Ledger, as exhibited on pages 19 and 20, supplies most of the material from which the foregoing statements are made, and the real condition of the business shown. It is found best, however, at periodical times—usually once a year—to present all the statistical facts *in the Ledger*, and to mark the eras of business by exhibiting the resources and liabilities in distinct amounts under the proper accounts. This is accomplished by a process known as "Closing the Ledger."

To "close" an account is to put an end to its current or running condition. If the sides are already equal, all that is required is to add them up, write down the footings, and draw underneath a double red line. If they are unequal, the *difference* is ascertained, and that difference, shown in one amount, is made to constitute the new account. The old account is first "closed" by entering upon the smaller side, *in red ink*, the difference—technically called "balance," then adding up, and drawing the double red lines underneath, as in the former case, after which the *balance* is brought down under the ruling. This process is sometimes called "transferring" the red ink entry, and the rule is to place it on the *opposite* side. The fact is, the balance or difference is not transferred to the "opposite" side, but to the same side. The red ink amount is placed on the *smaller* side merely to express the preponderance of the opposite side. It is the *preponderance* which appears as the new account, and it must appear on the same side.

The object of "Closing the Ledger" at the end of a fiscal period is twofold; first, to present the progress and condition of the business, and next to readjust the investment, as the same may be affected by the gain or loss. To this end the separate gains and losses are brought together in one account (Loss & Gain), and the resources and liabilities in another (Balance). The Balance account is an account of convenience, and is not used during the running of the business. It is, in fact, a simple and compact statement of resources and liabilities as gathered from the Ledger accounts and inventories, the same appearing under the separate accounts at the beginning of the new fiscal period.*

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* Some teachers have a foolish sensitiveness against using a Balance account at any time. The only reason given is that it is "not common in business," which is simply no reason. There cannot be a more convenient form of statement than the Balance account, and if it is used and considered *only* as a statement, there can be no valid objection to its use.

ORDER AND PROCESS OF CLOSING THE LEDGER.

1. Open Loss & Gain account—if not already opened—and Balance account; the former to contain the losses and gains, the latter the resources and liabilities.

2. Ascertain from the inventory what property remains unsold, and credit the account or accounts originally debited for such property with its present estimated value *in red ink*, transferring the amount at once *in black ink* to the debit side of Balance, using the word "Balance" as an explanation and reference in the property account, and the name of such account as an explanation in Balance account. The results are now all on the Ledger, the resources and liabilities being indicated on the Financial accounts (including Balance), and the losses and gains in the Business accounts.

3. Omitting the investment accounts (Stock or partners'), begin with the first account in the Ledger. If it be a Financial account—showing a resource or liability—enter the difference upon the smaller side *in red ink*, and transfer it at once *in black ink* to the opposite side of Balance, making the proper explanations in both cases. If it be a Business account—showing a gain or loss—enter the difference upon the smaller side *in red ink*, and transfer the amount *in black ink* to the opposite side of Loss & Gain, making the proper explanations. Close all the accounts (except Stock or partners'), transferring the amounts as directed. The Loss & Gain account will now show on the debit side all the losses, and on the credit side all the gains, the difference being the net gain or the net loss; and the Balance account will show on the debit side all the resources, and on the credit side all the liabilities, the difference being the net worth or net insolvency of the business.

4. In order to determine if the balances have been properly transferred, take a Trial Balance of the open accounts, viz.: Stock, or partners', Loss & Gain, and Balance.

5. Close Loss & Gain account into Stock, or if it be a partnership business, into the separate accounts of the partners, dividing the gain or loss according to agreement. The Stock account, or partners' accounts, will now show the original investment increased by the net gain or decreased by the net loss—the difference being the present net investment.

6. Now as the Stock account—or partners' accounts—indicate the present net investment, and the Balance account enumerates the items which constitute such investment, it is evident they must agree. This can be made apparent by closing the investment account, or accounts (Stock or partners'), into Balance account, which will, of course, equalize it, showing on one side the entire list of resources, and on the other the entire list of liabilities, thus constituting a compact and perfect statement of the financial condition.

NOTE.—If for any reason a Balance account is not desirable, the same facts can be shown under the separate accounts, by bringing the balances down instead of taking them to this one account; and in any case, if the business be continued, the amounts will have to appear in the separate accounts. The objections against a Balance account in the Ledger can have no reasonable basis if its purpose is understood. It would be well, however, to place it in the back part of the Ledger, giving it thus its true character and position as a statement.

SET I.—LEDGER (CLOSED).

1

Dr. **Stock.** *Cr.*

1880							1880						
Jan.	1	To Peter Cooper	1	500			Jan.	1	By Cash	1	5000		
"	31	*Balance*	L2	*4624*	*75*		"	31	Loss & Gain	11	124	75	
				5124	75						5124	75	
							Feb.	1	By Balance		4624	75	

2

Dr. **Cash.** *Cr.*

1880							1880						
Jan.	1	To Stock	1	5000			Jan.	3	By Mdse.	1	1400		
"	5	Mdse.	1	800			"	15	Expense	2	20		
"	16	Mdse.	2	18	75		"	23	Bills Payable	2	500		
"	22	H. D. Stratton	2	20			"	31	Expense	2	164		
"	25	Mdse.	2	675			"	31	*Balance*	L12	*4429*	*75*	
				6513	75						6513	75	
Feb	1	To Balance		4429	75								

3

Dr. **Peter Cooper.** *Cr.*

1880							1880						
Jan.	10	To Bills Payable	1	500			Jan.	1	By Stock	1	500		

4

Dr. **Merchandise.** *Cr.*

1880							1880						
Jan.	3	To Cash	1	1400			Jan.	5	By Cash	1	800		
"	10	Bills Payable	1	235			"	6	H. D. Stratton	1	40		
"	14	" "	2	1000			"	12	Bills Receivable	1	57	50	
"	28	J. D. Comstock	2	96			"	16	Cash	2	18	75	
"	31	*Loss & Gain*	L11	*303*	*75*			20	E. G. Folsom	2	115		
							"	25	Cash	2	675		
							"	31	*Balance (Inv.)*	L12	*1333*	*50*	
				3039	75						3039	75	
Feb.	1	To Balance		1333	50								

5

Dr. **H. D. Stratton.** *Cr.*

1880							1880						
Jan.	6	To Mdse.	1	40			Jan.	22	By Cash	2	20		
							"	31	*Balance*	L12	*20*		
				40							40		
Feb.	1	To Balance		20									

6

Dr. **Bills Payable.** *Cr.*

1880							1880						
Jan.	23	To Cash	2	500			Jan.	9	By Mdse.	1	235		
	31	*Balance*	L12	*1235*			"	10	Peter Cooper	1	500		
							"	14	Mdse.	2	1000		
				1735							1735		
							Feb.	1	By Balance		1235		

7

Dr. Bills Receivable. Cr.

1880						1880					
Jan.	12	To Mdse.	1	57	50	Jan.	31	*By Balance*	12	*57*	*50*
		To Balance		57	50						

8

Dr. Expense. Cr.

1880						1880					
Jan.	15	To Cash	2	20		Jan.	31	*By Loss & Gain*	L11	*184*	
"	31	"	2	164							
				184						184	

9

Dr. E. G. Folsom. Cr.

1880						1880					
Jan.	20	To Mdse.	2	115		Jan.	31	*By Balance*	L11	*115*	
Feb.	1	To Balance		115							

10

Dr. J. D. Comstock. Cr.

1880						1880					
Jan.	31	*To Balance*	L12	*96*		Jan.	28	By Mdse.	2	96	
						Feb.	1	By Balance		96	

11

Dr Loss & Gain. Cr.

1880						1880					
Jan.	31	To Expense	L8	184		Jan.	31	By Mdse.	L4	308	75
"	31	*Stock*	L1	*124*	*75*						
				308	75					308	75

12

Dr. Balance. Cr.

1880						1880					
Jan.	31	To Mdse.	L4	1333	50	Jan.	31	By Bills Payable	L6	1235	
"	31	Cash	L2	4429	75	"	31	J. D. Comstock	L10	96	
"	31	H. D. Stratton	L5	20		"	31	Stock	L1	4624	75
"	31	Bills Receivable	L7	57	50						
"	31	E. G. Folsom	L9	115							
				5955	75					5955	75

PRACTICAL EXERCISES.

[To be written up after the manner of Set I.]

TRANSACTIONS.—FIRST SERIES.

Jan. 1.—Commenced business with a cash capital of $6000. - - - - - Paid for books and stationery for use of office, $25.

2.—Bo't of W. E. Crocker, for cash, 100 brls. Flour, @ $8. - - - - - Sold Wm. A. Miller, for cash, 50 brls. Flour, @ $8.25 - - - - - Sold B. Horton, on his note at 30 ds., 10 brls. Flour, @ $8.50.

3.—Bo't of A. S. Gladwin, on %, 1000 bush. Wheat, @ $1.25. - - - - - Sold J. L. Hunt, for cash, 125 bush. Wheat, @ $1.30.

4.—Sold E. C. Packard, on %, 200 bush. Wheat, @ $1.50.

5.—Paid cash for 1 month's rent of store, $60.

6.—Sold T. M. Peirce, for cash, 300 bush. Wheat, @ $1.45. - - - - - Bo't of L. L. Williams, on our note at 30 ds., 200 brls. Flour, @ $8.20.

8.—Sold B. Wise, for cash, 100 brls. Flour, @ $8.50. - - - - - Sold A. C. Randall, for cash, 50 brls. Flour, @ $8.45.

10.—Paid cash for gas and coal, $17.50.

12.—Sold H. Ranney, on his note at 60 ds., 50 bls. Flour, @ $8.50.

15.—Bo't of M. Halladay & Co., on %, 300 brls. xxx Flour, @ $8.60. - - - - - Sold H. M. Monsanto, for cash, 50 brls. xxx Flour, @ $8.75.

18.—Sold L. S. Metcalf, on %, 150 brls. xxx Flour, @ $8.80 - - - - - Rec'd of E. C. Packard, cash in full of %, $300.

20.—Sold A. S. Hewitt, for cash, 100 brls. xxx Flour, @ $8.75.

21.—Bo't of H. W. Bryant, on %, 500 bush. Wheat, @ $1.30.

22.—Sold T. S. King, for cash, 300 bush. Wheat, @ $1.50.

25.—Paid A. S. Gladwin, cash on %, $500. - - - - - Sold J. E. Morris, for cash, 50 bush. Wheat, @ $1.50.

26.—Paid cash for services, $50 - - - - - Sold E. C. Packard, on %, 50 bush. Wheat, @ $1.50; 30 brls. Flour, @ $8.50.

30.—Received of B. Horton, cash in full of his note of Jan. 2, $85

INVENTORY OF GOODS REMAINING UNSOLD JAN. 31

10 brls. Flour, @ $8.50 - - - - - - - - - - - - - -	85
475 bush. Wheat, @ $1.30 - - - - - - - - - - - - -	617.50
	$702.50

Face of Ledger, Jan. 31.

Dr.			Cr.	
		Stock	6000	
152	50	Expense		
6920		Merchandise	6580	
10505		Cash	1452	50
510		Bills Receivable	85	
500		A. S. Gladwin	1250	
630		E. C. Packard	300	
		Bills Payable	1640	
		M. Halladay & Co.	2580	
1320		L. S. Metcalf		
		H. W. Bryant	650	
20537	50		20537	50

Resources and Liabilities, Jan 31.

Resources.			*Liabilities.*		
Merchandise	702	50	A. S. Gladwin	750	
Cash	9052	50	Bills Payable	1640	
Bills Receivable	425		M. Halladay & Co.	2580	
E. C. Packard	330		H. W. Bryant	650	
L. S. Metcalf	1320		Stock	6210	
	11830			11830	

QUESTIONS FOR REVIEW.

1. Upon what does the excellence of a Set of Books depend in great measure?—*2.* What should be the character of the penmanship?—*3.* What as to arrangement?—*4.* What is an important consideration in placing figures in the money column?—*5.* What may be said as to arrangement of descriptive matter in the Day-Book?—*6.* What is the primary object of *form* in Book-keeping?—*7.* What can be said of the Day-Book in its relation to the entirety of business record?—*8.* What is the office of the Journal?—*9.* What of the Ledger?—*10.* What is the process of transferring entries to the Ledger called?—*11.* What are properly the first accounts in the Ledger?—*12.* What does "Stock" as a Ledger title usually signify?—*13.* Are the prefixes "To" and "By" in Ledger explanations essential?—*14.* Why will the sum of the debit and credit entries in the Ledger equal?—*15.* What is shown in the Trial Balance, and why is it so called?—*16.* May the sides of the Trial Balance (or of the Ledger) equal, and yet the work be incorrect?—*17.* Under what circumstances might this occur?—*18.* What may be said of an account the sides of which are equal?—*19.* Are all the resultant facts of a business shown in a current Ledger?—*20.* What facts do not appear?—*21.* How may these facts be ascertained?—*22.* What is shown in the statement on page 23?—*23.* How many methods of ascertaining resources are therein indicated, and what are they?—*24.* How many kinds of liabilities, and what are they?—*25.* In what sense can a concern owe its proprietor?—*26.* What is the liability of a concern to its proprietor usually called?—*27.* Why should the unappropriated net gain of a business be credited to the proprietor?—*28.* What is the purpose and use of Expense account?—*29.* To what other account would it be proper to carry the items usually placed in Expense account?—*30.* What is the theory enforced by the two statements, pp. 23 and 24?—*31.* What is shown by the open Ledger, pp. 19 and 20?—*32.* What is the object of "closing" the Ledger?—*33.* What is the effect of closing an account?—*34.* When the sides of an account are equal, what is the process of closing?—*35.* When unequal?—*36.* Why is the difference or "balance" written in red ink?—*37.* Why in transferring is the balance written on the opposite side from the red ink entry?—*38.* What can be said of the Balance account?—*39.* Is the Balance account necessary?—*40.* In what does its convenience consist?—*41.* When not used, how are its facts otherwise presented?—*42.* What is the first step in closing the Ledger?—*43.* What results are shown in the Loss & Gain account?—*44.* What is the second step?—*45.* When the inventories are all entered in the proper accounts, what will the Ledger contain?—*46.* What is the third step?—*47.* When the balances are all transferred from the proper accounts to the statement accounts, what will be shown in the statement accounts?—*48.* What is the fourth step?—*49.* Is this necessary?—*50.* What is accomplished by it?—*51.* What is the fifth step?—*52.* What is the effect of transferring the results of the Loss & Gain account to Stock account or Partners' accounts?—*53.* What is the sixth step?—*54.* Why should the balance of Stock account or the balances of Partners' accounts equal the difference in the Balance account?—*55.* When these balances are transferred, what will the balance account show?

INDEX TO LEDGER—SET II.

The purpose and importance of an Index to the Ledger will be apparent. Where there is a large number of accounts much time is saved by having an alphabetical list to which to refer. The example given below will be sufficient to show the general purport of an index, but does not present the best form. The form in general use is so common and simple, that any attempt at explanation would be useless. We have not thought it necessary to give the index in connection with any other Set, as it would merely occupy space without affording information.

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SET II.

DAY-BOOK, JOURNAL, LEDGER, CASH-BOOK BILL-BOOK

[CONTINUATION OF SET I.]

BUSINESS PROSPEROUS.

NEW YORK, February 1, 1880.

The following Resources and Liabilities are taken from the Balance account of the previous Ledger, this being a continuation of the same business.

Resources.

Cash in hand		$4429.75	
Notes on hand		57.50	
✓ Merchandise, per Inventory		1333.50	
E. G. Folsom owes on %		115.00	
H. D. Stratton owes on %		20.00	5955 75

Liabilities.

Notes outstanding	$1235.00		
✓ Balance due J. D. Comstock	96.00		
H. B. Bryant's net capital	4624.75	$5955.75	

"

Sold S. S. Packard 2 doz. Soft Hats @ $36		72
Received in Payment,		
✓ Cash	$20	
Balance on %	52	$72

2

✓ Received cash of H. D. Stratton, in full of %		20

3

Bought of Ivison & Phinney,			
150 sets Spencerian Writing Books @ 75¢		$112.50	
✓ 100 copies Bryant & Stratton's Book-keeping @ $1		100.00	212 50
Paid them, Cash	50.00		
Order on E. G. Folsom	50.00		
Balance on %	112.50	212.50	

5

✓ Bought of Dawson, Warren & Hyde, on %,		
50 "Tip Top" Gold Pens, first quality @ $1.25		62 50

7

✓ Exchanged notes with Digby V. Bell for our mutual accommodation, each drawn at 30 days	500

8

Sold J. H. Goldsmith, for cash,			
50 sets Spencerian Writing Books @ 85¢		42.50	
✓ 25 " Bryant & Stratton's Book-keeping @ $1.12		28.00	
5 reams Letter Paper @ $3		15.00	
1 doz. Gold Pens @ $1.50		18.00	103 50
			6926 25

NEW YORK, February 10, 1880.

	Amount brought forward	6926	25
	10		
✓	Bought of Wm. B. Astor, Store and Fixtures, at	10000	
	Paid him, Cash $1000		
	Bond and Mortgage for balance 9000—$10,000		
	12		
✓	Sold J. T. Calkins, on his note @ 20 days,		
	50 yds. Broadcloth @ $4	200	
	14		
✓	Bought of S. S. Guthrie, Buffalo, on our acceptance at 60 days, favor of A. M. Clapp,		
	200 brls. Flour @ $8	1600	
	15		
✓	Sold D. L. Wing, Albany, for cash,		
	50 brls. Flour @ $8.25	412	50
	16		
✓	Paid Drayman's charges in full to date	5	
	18		
✓	H. B. Bryant has made the following additional investment of Resources bequeathed him by a deceased uncle,		
	50 shares Union Bank Stock, valued at $105 $5250.00		
	Cash deposited in Union Bank 1000.00		
		6250	
	20		
✓	Sold for cash to B. McGann, 20 shares Union Bank Stock @ $108	2160	
	24		
	Sold John W. Gantz,		
✓	100 yds. Black French Cloth @ $5.75	575	
	Received in payment, Cash $200		
	Balance to his account 375—$575		
	25		
✓	Paid for repairing store, per order on E. G. Folsom	65	
	27		
✓	Received cash for 5 per cent. dividend on 30 shares Union Bank Stock	150	
	28		
	Paid clerk's salary to date $ 50		
✓	Paid store rent to date 100	150	
		28493	75

1

NEW YORK, February 1, 1880.

		Dr.		Cr.	
	Sundries - - - - - - To *Sundries,**				
2	Cash - - - - - - - - - - - - - - - - - -	4429	75		
3	Bills Receivable - - - - - - - - - - - - - - - -	57	50		
4	Merchandise - - - - - - - - - - - - - - - -	1333	50		
6	E. G. Folsom - - - - - - - - - - - - - - - -	115			
5	H. D. Stratton - - - - - - - - - - - - - - - -	20			
7	To Bills Payable - - - -			1235	
8	" J. D. Comstock - - -			96	
1	" H. B. Bryant - - - -			4624	75
	"				
4	*Sundries* - - - - - - To Merchandise - - - -			72	
2	Cash - - - - - - - - - - - - - - - - - -	20			
9	S. S. Packard - - - - - - - - - - - - - - - -	52			
	2				
2	Cash - - - - - - - - - - - - - - - - - -	20			
5	To H. D. Stratton - - -			20	
	3				
4	Merchandise - - - - - To *Sundries* - - - - -	212	50		
2	To Cash - - - - - -			50	
6	" E. G. Folsom - - - -			50	
10	" Ivison & Phinney - -			112	50
	5				
4	Merchandise - - - - - - - - - - - - - - - -	62	50		
11	To Dawson, Warren & Hyde,			62	50
	7				
3	Bills Receivable, - - - - - - - - - - - - - - -	500			
7	To Bills Payable - - - -			500	
	8				
2	Cash - - - - - - - - - - - - - - - - - -	103	50		
4	To Merchandise - - - -			103	50
		6926	25	6926	25

* The term "Sundries," as here used, is not essential to a complete journal record; it is simply a convenient form of expression, rendering the transfer to the Ledger a little more easy to the beginner. When used as a debit it implies that sundry accounts—to be enumerated thereafter—are to be debited, and contrariwise when used as a credit. Hence, the term "Sundries to Sundries" is simply an indication of the real entry which is to follow, and which will be composed of sundry debits and sundry credits. There are, in fact, four kinds of journal entries, each requiring a different expression, viz.: 1. Those having one debit and one credit; 2. Those having one debit and several credits; 3. Those having several debits and one credit; 4. Those having several debits and several credits.

NEW YORK, February 10, 1880.

		Dr.		Cr.	
	Amount brought forward - - - - - - -	6926	25	6926	25
	10				
2	Real Estate - - - - - To *Sundries* - - - - -	10000			
2	To Cash - - - - - - -			1000	
4	" Mortgage Payable* - -			9000	
	12				
3	Bills Receivable - - - - - - - - - - - - - - -	200			
5	To Merchandise - - - -			200	
	14				
4	Merchandise - - - - - - - - - - - - - - - -	1600			
7	To Bills Payable - - - -			1600	
	15				
2	Cash - - - - - - - - - - - - - - - - - -	412	50		
5	To Merchandise - - - -			412	50
	16				
14	Expense - - - - - - - - - - - - - - - - -	5			
2	To Cash - - - - - - -			5	
	18				
1	*Sundries* - - - - - - To H. B. Bryant - - - -			6250	
15	Union Bank Stock - - - - - - - - - - - - - -	5250			
13	Union Bank - - - - - - - - - - - - - - - -	1000			
	20				
2	Cash - - - - - - - - - - - - - - - - - -	2160			
15	To Union Bank Stock - -			2160	
	24				
4	*Sundries* - - - - - - To Merchandise - - - -			575	
2	Cash - - - - - - - - - - - - - - - - - -	200			
17	John W. Gantz - - - - - - - - - - - - - - -	375			
	25				
14	Expense - - - - - - - - - - - - - - - - -	65			
6	To E. G. Folsom - - - -			65	
	27				
2	Cash - - - - - - - - - - - - - - - - - -	150			
15	To Union Bank Stock - -			150	
	28				
14	Expense - - - - - - - - - - - - - - - - -	150			
2	To Cash - - - - - - -			150	
		28493	75	28493	75

* Mortgages Payable are the same in effect as Bills Payable; and the question as to keeping separate accounts must be decided by the persons interested. The distinction is sufficiently marked to make the separation proper.

1

H. B. Bryant.

Dr.							Cr.						
							1880 Feb.	1	By Sundries	1	4624	75
							"	18	" 10874.75	2	6250	

2

Cash.

Dr.						Cr.						
1880 Feb.	1	To Sundries	1	4429	75	1880 Feb.	3	By Mdse.	1	50	
"	1	Mdse.	1	20		"	10	Real Estate	2	1000	
"	2	H. D. Stratton	1	20		"	16	Expense	2	5	
"	8	Mdse.	1	103	50	"	28	" 1205	2	150	
"	15	"	2	412	50						
"	20	Union Bank Stock	2	2160							
"	24	Mdse.	2	200							
"	27	Union Bank Stock 1795.75	2	150							

3

Bills Receivable.

Dr.						Cr.						
1880 Feb.	1	To Sundries	1	57	50							
"	7	Bills Payable	1	500								
"	12	Mdse. 757 50	2	200								

4

Merchandise.

Dr.						Cr.						
1880 Feb.	1	To Sundries	1	1333	50	1880 Feb.	1	By Sundries	1	72	
"	3	"	1	212	50	"	8	Cash	1	103	50
"	5	Dawson, W. & Hyde	1	62	50	"	12	Bills Receivable	2	200	
"	14	Bills Payable 3308 50	2	1600		"	15	Cash	2	412	50
						"	24	Sundries 1863	2	575	

5

H. D. Stratton.

Dr.						Cr.						
1880 Feb.	1	To Sundries	1	20		1880 Feb.	2	By Cash	1	20	

6

E. G. Folsom.

Dr.						Cr.						
1880 Feb.	1	To Sundries	1	115		1880 Feb.	3	By Mdse.	1	50	
						"	25	Expense 115	2	65	

7

Bills Payable.

Dr.						Cr.						
						1880 Feb.	1	By Sundries	1	1235	
						"	7	Bills Receivable	1	500	
						"	14	Mdse. 3335	2	1600	

8

J. D. Comstock.

Dr.						Cr.						
						1880 Feb.	1	By Sundries	1	96	

9

Dr. S. S. Packard. *Cr.*

1880 Feb.	1	To Mdse.	1	52							

10

Dr. Ivison & Phinney. *Cr.*

					1880 Feb.	3	By Mdse.	1	112	50

11

Dr. Dawson, Warren & Hyde. *Cr.*

					1880 Feb.	5	By Mdse.	1	62	50

12

Dr. Real Estate. *Cr.*

1880 Feb.	10	To Sundries	2	10000							

13

Dr. Mortgage Payable. *Cr.*

					1880 Feb.	10	By Real Estate	2	9000		

14

Dr Expense. *Cr.*

1880 Feb.	16	To Cash	2	5							
"	25	E. G. Folsom	2	65							
"	28	Cash	2	150							

15

Dr. Union Bank Stock. *Cr.*

1880 Feb.	18	To H. B. Bryant	2	5250	1880 Feb.	20	By Cash	2	2160		
					"	27	"	2	150		

16

Dr. Union Bank. *Cr.*

1880 Feb.	18	To H. B. Bryant	2	1000							

17

Dr. John W. Gantz. *Cr.*

1880 Feb.	24	To Mdse.	2	375							

GENERAL STATEMENT.

In the foregoing Ledger we have the current condition of H. B. Bryant's business on the 28th of February, as far as that condition can be shown by the Ledger, *without closing the accounts.* This part of the labor we leave for the student; but shall give, in this connection, a statement which will afford him the required aid. It is essential that the principles of this statement, as also its form and method, be fully mastered.

Double Trial Balance.

Differences.		Face of Ledger.		Ledger Accounts.	Face of Ledger.		Differences.	
				H. B. Bryant	10874	75	10874	75
6290	75	7495	75	Cash	1205			
757	50	757	50	Bills Receivable.				
1845	50	3208	50	Merchandise	1363			
		20		H. D. Stratton	20			
		115		E. G. Folsom	115			
				Bills Payable	3335		3335	
				J. D. Comstock	96		96	
52		52		S. S. Packard.				
				Ivison & Phinney	112	50	112	50
				Dawson, Warren & Hyde	62	50	62	50
10000		10000		Real Estate.				
				Mortgage Payable	9000		9000	
220		220		Expense				
2940		5250		Union Bank Stock	2310			
1000		1000		Union Bank.				
375		375		John W. Gantz.				
23480	75	28493	75	*Equilibrium*	28493	75	23480	75

Inventory of Unsold Property.

Mdse., viz.:				
140 yds. English Broadcloth @ $ 3.00	420			
200 " Domestic Cassimere @ 1.00	200			
2 dozen Soft Hats @ 24.00	48			
15 reams Foolscap Paper @ 3.50	52	50		
100 sets Spencerian Writing Books @ 75	75			
38 Gold Pens @ 1.25	47	50		
75 copies Bryant & Stratton's Book-keeping @ 1.00	75			
150 brls. Flour @ 8.00	1200		2118	
30 shares Union Bank Stock @ 1.03⅓			3100	
Store and Fixtures valued at			12000	
			17218	

SET II.—GENERAL STATEMENT.

Statement of Losses and Gains.—Business Accounts.

			Losses.		Gains.	
Merchandise	*Returns from sales*	1363.00				
	Value of unsold (per Inventory)	2118.00				
	Total returns	3481.00				
	Outlay	3208.50				
	Gain				272	50
Real Estate	*Value of unsold*	12000.00				
	Outlay	10000.00				
	Gain				2000	
Expense	*Outlay*		220			
Union Bank Stock	*Returns from sales and dividend*	2310.00				
	Value of unsold	3100.00				
	Total returns	5410.00				
	Outlay	5250.00				
	Gain				160	
	Net Gain		2212	50		
			2432	50	2432	50

Statement of Resources and Liabilities.—Financial Accounts and Inventories.

			Resources.		Liabilities.	
1. From Inventories of Unsold Property.						
Merchandise			2118			
Union Bank Stock			3100			
Real Estate			12000			
2. From Ledger Accounts.						
Cash	*Amount received*	7495.75				
	Amount paid out	1205.00				
	Balance on hand		6290	75		
Bills Receivable	*Notes received (none disposed of)*		757	50		
Bills Payable	*Notes issued (none redeemed)*				3335	
J. D. Comstock	*We owe him*				96	
S. S. Packard	*He owes us*		52			
Ivison & Phinney	*We owe them*				112	50
Dawson, Warren & Hyde	*We owe them*				62	50
Union Bank	*Deposits in our favor*		1000			
John W. Gantz	*He owes us*		375			
Mortgage Payable	*Mortgage issued and outstanding*				9000	
H. B. Bryant	*His net investment*	10874.75				
	" " *gain*	2212.50				
	His present interest				13087	25
			25693	25	25693	25

PRACTICAL EXERCISES.

[To be written up after the manner of Set II.]

TRANSACTIONS.—SECOND SERIES.

This is a continuation of the business represented in First Series, page 29, beginning with the resources and liabilities as shown in the Statement on page 30.

Feb. 1.—Bought of G. A. Gaskell, for cash, 200 sacks Java Coffee, 13000 lbs., @ 17¢. - - - - - Sold A. B. Smith, on %, 10 sacks Coffee, 643 lbs., @ 18⅛¢.

2.—Accepted H. W. Bryant's draft, favor W. A. Miller, at 10 ds. sight, for amount of his account against us.

4.—Sold A. C. Lobeck, 200 bush. Wheat, @ $1.56: Received of him cash on %, $100. - - - - Sold Benj. Wise, for cash, 10 sacks Coffee, 651 lbs., @ 18¢.

6.—Bought of M. Halladay & Co., on %, 200 brls. xxx Flour, @ $8.75. - - - - - Accepted M. Halladay & Co.'s draft on us, at 20 days sight, favor C. Claghorn, for $2500. - - - - - Paid cash for store rent, $60.

6.—Sold M. C. Rhodes, for cash, 20 sacks Coffee, 1300 lbs., @ 18¢. - - - - - Sold J. C. Bryant, on his note at 10 ds., 175 bush. Wheat, @ $1.57.

7.—Bought of Z. Richards, on %, 1000 bush. Wheat, @ $1.40.

8.—Paid cash for our note of Jan. 6., fav. L. L. Williams, due this day, $1640.

10.—Discounted our acceptance, favor M. Halladay & Co., of the 10th inst., paying net amount in cash. Face of acceptance, $2500; discount for 10 days, $7.50.

12.—Sold W. A. Miller, 500 bush. Wheat, @ $1.50: received cash, $250; balance on %.

13.—Paid clerk hire, in cash, $50. - - - - - H. Ranney's note of Jan. 12 has been discounted, the net amount being paid in cash. Face of note, $425; discount, 31 days, $2.20.

15.—Received cash of E. C. Packard, in full of %. - - - - - Paid A. S. Gladwin, cash on %, $250. - - - - - Paid our acceptance, favor W. A. Miller, of $650, in cash.

16.—Bought of M. Halladay & Co. 300 brls. xxx Flour, @ $8.70; gave in payment our sight draft on L. S. Metcalf for amount of his indebtedness; cash for balance. - - - - - Sold for cash, 100 sacks Coffee, 6500 lbs., @ 19¢.

18.—Sold Chas. Claghorn, for cash, 100 brls. xxx Flour, @ $9. - - - - - Accepted A. S. Gladwin's draft favor W. G. Drummond, at 10 ds., for balance of his account.

20.—Drew on A. B. Smith, favor M. Halladay & Co., for amount of Smith's account, the same to be applied by M. H. & Co. on our %.

21.—Accepted Z. Richards' draft at 30 ds., favor Geo. S. Bigelow, for $1000.

25.—Sold for cash, 200 brls. xxx Flour, @ $9.12.

28.—Paid cash for our acceptance, favor W. G. Drummond, $500.

INVENTORY OF GOODS REMAINING ON HAND, FEB. 28.

10 brls. Flour, @ $8.50 - - - - - - - - - - - - - - - -	85
1000 bush. Corn, @ 97¢ - - - - - - - - - - - - - - - -	970
60 sacks, 3906 lbs., Coffee, @ 17¢ - - - - - - - - - - -	664.02
200 brls. xxx Flour, @ $8.75 - - - - - - - - - - - - -	1750
	$3469.02

Ledger Results.

Dr.			Cr.	
		Stock	6210	
8672	50	Merchandise	5765	89
14465	48	Cash	9142	50
699	75	Bills Receivable	425	
5290		Bills Payable	6290	
2618	96	M. Halladay & Co.	4330	
312		A. C. Lobeck	100	
110		Expense		
1000		Z. Richards	1400	
2	20	Interest	7	50
500		W. A. Miller		
33670	89		33670	89

Resources and Liabilities, Feb. 28.

Resources.			*Liabilities.*		
Merchandise	3469	02	Bills Payable	1000	
Cash	5322	98	M. Halladay & Co.	1711	04
Bills Receivable	274	75	Z. Richards	400	
A. C. Lobeck	212		Stock $6210 + 457.71$	6667	71
W. A. Miller	500				
	9778	75		9778	75

AUXILIARY BOOKS.

The Auxiliary Books, given on the following pages, should accompany the transactions of Set II. They are those in most common use, viz.: Cash-Book and Bill-Book. The forms are simple and suggestive, and the convenience of the books readily apparent.

The Cash-Book differs from the Cash account in the Ledger in its fuller explanations, and in the fact that it is closed more frequently for the purpose of exhibiting the balance. Ordinarily it is closed at the end of each day, in order that the amount shown to be on hand should be compared with the amount *really* on hand, and the discrepancy, if any, accounted for. The "making up of the Cash account" is one of the important duties of the accountant.

The Bill-Book constitutes a useful memorandum of paper maturing, either for or against us, and is carefully kept by concerns where notes and drafts form a part of the business machinery. The forms here given are the ordinary forms.

CASH-

Received.

Feb.	1	To Stock - - - - - - -	*Amount invested* - - - - - - - -	4429	75		
"	"	Mdse. - - - - - - -	*Sold S. S. Packard* - - - - - - -	20			
"	2	H. D. Stratton - - - -	*Received on %* - - - - - - - -	20			
"	8	Mdse. - - - - - - -	*Sold J. H. Goldsmith* - - - - - -	103	50		
"	15	" - - - - - - -	*Sold D. L. Wing* - - - - - - - -	412	50		
"	20	Union Bank Stock - -	*Sold B. McGann* - - - - - - - -	2160			
"	24	Mdse. - - - - - - -	*Sold J. W. Gantz* - - - - - - - -	200			
"	27	Union Bank Stock - -	*Rec'd for Dividend* - - - - - - -	150		7495	75
						7495	75
		To Balance - - - - - -	*From old %* - - - - - - - - -			6290	75

BILL-BOOK

NO.	WHEN RECEIVED.		DRAWER OR ENDORSER.	DRAWEE OR MAKER.	IN WHOSE FAVOR.	FOR WHAT RECEIVED.	WHERE PAYABLE.
1	Feb.	1	B. McGann.	S. S. Packard.	H. B. Bryant.	Investment.	Our Office.
2	"	7	H. B. Bryant.	Digby V. Bell.	do. do.	Accommodation.	do. do.
3	"	12	H. B. Bryant.	J. T. Calkins.	do. do.	Merchandise.	do. do.

BILL-BOOK

NO.	WHEN ISSUED.		DRAWER OR ENDORSER.	DRAWEE OR MAKER.	IN WHOSE FAVOR.	FOR WHAT GIVEN.	WHERE PAYABLE.
1	Jan.	9	Francis & Loutrel.	H. B. Bryant.	Francis & Loutrel.	Merchandise.	College Bank.
2	"	14	Smith & Co.	do. do.	Smith & Co.	do.	do. do.
3	"	10	Peter Cooper.	do. do.	W. H. Beebe.	To balance %.	do. do.
4	Feb.	7	Digby V. Bell.	do. do.	Digby V. Bell.	Accommodation.	do. do.
5	"	14	S. S. Guthrie.	do. do.	A. M. Clapp.	Merchandise.	do. do.

BOOK.

Paid out.

Feb.	3	By Mdse.	*Bo't of Ivison & Phinney*	50			
"	10	Real Estate	*Paid on store and fixtures*	1000			
"	16	Expense	*Paid drayman in full*	5			
"	28	"	*Paid clerk's salary and store rent*	150		1205	
"	"	*Balance*	*Amount on hand*			*6290*	*75*
						7495	75

RECEIVABLE.

DATE. Year.	Month.		TIME.	WHEN DUE. Year.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	AMT.	WHEN AND HOW DISPOSED OF.
1880	Jan.	12	60 ds.	1880			$\frac{13}{18}$										57.50	
1880	Feb.	7	30 ds.	1880			$\frac{9}{12}$										500	
1880	"	12	30 ds.	1880			$\frac{14}{17}$										200	

PAYABLE.

DATE. Year.	Month.		TIME.	WHEN DUE. Year.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	AMT.	WHEN AND HOW REDEEMED.		
1880	Jan.	9	90 ds.	1880				$\frac{9}{12}$									235			
1880	"	14	40 ds.	1880		$\frac{23}{40}$											1000			
1880	"	10	10 ds.	1880	$\frac{20}{18}$												500	Jan.	23	Paid.
1880	Feb.	7	30 ds.	1880			$\frac{9}{12}$										500			
1880	"	14	60 ds.	1880				$\frac{11}{18}$									1600			

QUESTIONS FOR REVIEW.

1. Where are the Resources and Liabilities shown at the commencement of Set II obtained?—*2.* Can Gains and Losses be shown at the commencement of business?—*3.* Why not?—*4.* What has become of the gain shown to have been realized in the month of January?—*5.* How does the interest of the proprietor at the commencement of Set II vary from his interest at the commencement of Set I?—*6.* What has effected this difference?—*7.* When is it proper to increase the credit side of Stock account?—*8.* When the debit side?—*9.* Is the term "Sundries" used as a Ledger account?—*10.* For what purpose is it used?—*11.* How will its convenience be most apparent?—*12.* How many kinds of Journal entries are there, and what are they?—*13.* What is meant by the term "Mortgage Payable"?—*14.* What is the difference *in effect* between Mortgages Payable and Bills Payable?—*15.* Is there any real difference?—*16.* How many Ledger accounts are used in Set II?—*17.* How many of them are canceled?—*18.* Which of these Ledger accounts exhibit Resources?—*19.* Which Liabilities?—*20.* Which gains?—*21.* Which losses?—*22.* What is the distinction between the accounts of "Union Bank" and "Union Bank Stock"?—*23.* What will be the first step in ascertaining the gain or loss in Merchandise account?—*24.* If the *net cost* of merchandise exceeds the value of merchandise unsold, will the account show a *gain* or a *loss?*—*25.* Why do you carry the value of merchandise unsold to the *credit* of the Merchandise account?—*26.* Why make the entry in red ink?—*27.* Can you give a rule for the use of red ink entries in the Ledger?—*28.* In transferring a red ink entry to another account, why do you always carry the amount to the *opposite* side of the new account?—*29.* What Ledger account in Set II corresponds with Stock account in Set I?—*30.* What does H. B. Bryant's account represent, as it stands on the Ledger?—*31.* How much does it fail to show his interest in the business on the 28th February?—*32.* Where will you get the amounts which will make up the difference?—*33.* Is it necessary that a "Loss & Gain" account should be opened?—*34.* If not opened, to what account would it be proper to carry the losses and gains at the close of business?—*35.* What advantages are gained by opening a "Loss & Gain" account?—*36.* Is it necessary to open a Balance account?—*37.* If a Balance account is not opened, how can the resources and liabilities be represented on the Ledger?—*38.* What is the *theory* of the "General Statement" as given in Set II?—*39.* What are the Auxiliary Books given in connection with this Set?—*40.* For what purpose is the Cash-Book used?—*41.* How often is the Cash-Book closed?—*42.* With what must the difference in the sides agree?—*43.* What is the advantage of the daily test?—*44.* For what purpose is the Bill-Book used?—*45.* What is the particular convenience of the Bill-Book?*—*46.* With what account in the Ledger will the uncanceled notes in the Bill-Book Receivable agree?—*47.* In the Bill-Book Payable?

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* The Bill-Books in common use have the records of Bills Payable in one part, and Bills Receivable in the other, conversely arranged, so that each seems to be at the commencement of the book. It is usual to put the last day of grace in the "When due" column, although some insist upon including the day upon which the note is written to fall due. When both dates are specified, it is done in the form of a fraction, similar to the example shown.

SET III.

DAY-BOOK, JOURNAL, COMMISSION SALES-BOOK, ACCOUNT SALES.

[CONTINUATION OF SET II.]

BUSINESS ADVERSE.

1 *NEW YORK, March 1, 1872.*

The following Resources and Liabilities are from H. B. Bryant's Ledger B. The business to be continued under his name.

Resources.

Merchandise as per Inventory		2118.00	
Union Bank Stock, real value		3100.00	
Real Estate, estimated at		12000.00	
Cash on hand		6290.75	
Bills Receivable, notes on hand		757.50	
S. S. Packard owes on %		52.00	
John W. Gantz do.		375.00	
Union Bank, amount on deposit		1000.00	
		25693	25

Liabilities.

Bills Payable, outstanding notes		3335.00	
J. D. Comstock, balance due him		96.00	
Ivison & Phinney " " them		112.50	
Dawson, Warren & Hyde, balance due them		62.50	
Mortgage Payable		9000.00	
		12606	

1

Shipped per Peoples' Line, and consigned to Sheldon & Co., Albany, to be sold on our % and risk,

140 yds. English Broadcloth	@ $3.50	490.00	
200 " Domestic Cassimere	@ 1.25	250.00	—740.00
Paid drayage on same in cash			1.00
			741

2

Sold James Monroe, for cash, 2 doz. Soft Hats, @ $26 52

"

Received per N. Y. & E. R. R., from J. R. Wheeler & Co., Buffalo, to be sold on their % and risk,

500 bbls. Flour, invoiced	@ $8.00		
5000 bush. Wheat	@ 1.25		
Paid transportation charges, in cash			100
		39192	25

NEW YORK, March 1, 1872.

Sundries	To H. B. Bryant			25693	25
Merchandise		2118			
Union Bank Stock		3100			
Real Estate		12000			
Cash		6290	75		
Bills Receivable		757	50		
S. S. Packard		52			
Jno. W. Gantz		375			
Union Bank		1000			
	〃				
H. B. Bryant	To Sundries	12606			
	Bills Payable			3335	
	J. D. Comstock			96	
	Ivison & Phinney			112	50
	Dawson, Warren & Hyde			62	50
	Mortgage Payable			9000	
	1				
Shipment to Albany[1]	To Sundries	741			
	Merchandise			740	
	Cash			1	
	2				
Cash		52			
	To Merchandise			52	
	〃				
J. R. Wheeler & Co.'s Consignment[2]		100			
	To Cash			100	
		39192	25	39192	25

2 *NEW YORK, March 3, 1872.*

Sold S. R. Gray, Albany,
50 sets Spencerian Writing Books . . . . . @ 88¢ 44.00
15 reams Foolscap Paper . . . . . @ $3.70 55.50
38 Gold Pens . . . . . @ 1.50 57.00
Received in Pay't Ivison & Phinney's Draft on us for $112.50 156 50
Cash for balance . . . . . 44.00—156.50

4

Received Cash for rent of offices in second story 500

"

Paid J. D. Comstock cash, in full of % 96

5

Sold Wm. H. Crocker, on his note at 60 days,
500 bbls. Flour (J. R. W. & Co.'s Consignment) @ $9 4500

"

Received per steamer New World, from M. B. Scott, Cleveland, to be sold on his % and risk,
800 bush. Corn, invoiced @ 75¢
2000 " Oats, " @ 60¢
500 " Wheat, " @ $1.38
Paid Freight and Insurance, in cash 175

6

Sold J. C. Bryant, for cash,
5000 bush. Wheat (J. R. W. & Co.'s Consignment) @ $1.50 . . . 750

"

Closed J. R. Wheeler & Co.'s Consignment, and rendered them an Account Sales of the same.
Our charges for Storage and Advertising $25.00
Our Commission on Sales 300.00
J. R. Wheeler & Co.'s net proceeds 11575.00
11900

7

Shipped per steamer Swiftsure, and consigned to Cobb & Co., New Haven, to be sold on our % and risk,
100 bbls. Flour from store, valued at $9 . . . . . $900.00
800 bush. Corn (M. B. S.'s Consignment) @ 80¢ 640.00
Paid cash for Insurance—premium and policy 8.70
1548 70
26376 20

Sundries	To Merchandise			156	50
Ivison & Phinney[1]		112	50		
Cash		44			
	4				
Cash		500			
	To Real Estate			500	
	"				
J. D. Comstock		96			
	To Cash			96	
	5				
Bills Receivable		4500			
	To J. R. Wheeler & Co.'s Consignment			4500	
	"				
M. B. Scott's Consignment		175			
	To Cash			175	
	6				
Cash		7500			
	To J. R. Wheeler & Co.'s Consignment			7500	
	"				
J. R. Wheeler & Co's Cons't	To Sundries[4]	11900			
	Storage and Advertising			25	
	Commission			300	
	J. R. Wheeler & Co.			11575	
	7				
Shipment to New Haven	To Sundries	1548	70		
	Merchandise			900	
	M. B. Scott's Cons't			640	
	Cash			8	70
		26376	20	26376	20

3 *NEW YORK, March 8, 1872.*

✓	Paid Dawson, Warren & Hyde cash to balance %	62	50
	"		
✓	Received cash of S. S. Packard in full of %	52	
	9		
✓	Sold Charles Claghorn, for cash, 2000 bush. Oats (M. B. S.'s Consignment) @ 75¢ . . . 1500.00 500 " Wheat " " @ 1.50 . . . 750.00	2250	
	"		
✓	Closed M. B. Scott's Consignment, and rendered him an Account Sales of the same. Our charges for Storage and Advertising . . . . . 40.00 Our Commission on Sales . . . . . 72.25 M. B. Scott's net proceeds, remitted in cash 2602.75	2715	
	10		
✓	Received cash of Jno. W. Gantz, in full of %	375	
	11		
✓	The steamer on which we shipped goods to Sheldon & Co., Albany, was sunk by collision, and our goods, which were rescued in a damaged condition, and upon which there was no insurance, were sold at auction for cash	150	
	12		
✓	Received from C. S. Dole & Co., Chicago, to be sold on their % and risk, 500 bbls. Extra Superfine Flour, 1000 " Superfine Flour, 3000 bush. Rye. Paid Freight in cash	300	
	13		
✓	Sold E. R. Felton, at 30 days, on %, 500 bbls. Superfine Flour (C. S. D. & Co.'s Consignment), @ $8 . .	4000	
		9904	50

Dawson, Warren & Hyde		62	50		
	To Cash			62	50
	"				
Cash		52			
	To S. S. Packard			52	
	9				
Cash		2250			
	To M. B. Scott's Cons't			2250	
	"				
M. B. Scott's Cons't	To Sundries	2715			
	Storage and Advertising			40	
	Commission			72	25
	Cash			2602	75
	10				
Cash		375			
	To J. W. Gantz			375	
	11				
Cash		150			
	To Shipment to Albany[5]			150	
	12				
C. S. Dole & Co.'s Consignment		300			
	To Cash			300	
	13				
E. R. Felton		4000			
	To C. S. Dole & Co.'s Cons't			4000	
		9904	50	9904	50

✓	D. V. Bell has returned our note issued Feb. 7, and we have surrendered his of the same date and amount	500	
	15		
✓	Paid cash for Taxes on Real Estate 150.00 Also for Clerks' Salaries to date 125.00	275	
	"		
✓	H. B. Bryant has drawn Cash for private use	500	
	"		
✓	Received Cash of S. S. Packard for his note now due	57	50
	17		
✓	Received Cash of J. T. Calkins in full for his note	200	
	18		
✓	Received advice from Cobb & Co., New Haven, of the sale of 150 bbls. Flour and 800 bush. Corn, shipped them on the 7th inst., Net proceeds remitted in Cash	1200	
	20		
✓	Sold John R. Penn, for Cash, 500 bbls. Extra Superfine Flour (C. S. D. & Co.'s Consignment) @ $9	4500	
	22		
✓	Sold for Cash, to E. H. Bender, Albany, 30 shares Union Bank Stock @ $100	3000	
	25		
✓	Paid our Note in Cash, favor of Smith & Co., due Feb. 26 1000.00 Interest due on same to date 5.83	1005	83
		11238	33

NEW YORK, March 13, 1872. 4

Bills Payable		500			
	To Bills Receivable			500	
15					
Sundries	To Cash			275	
Real Estate		150			
Expense		125			
"					
Private Account[6]		500			
	To Cash			500	
"					
Cash		57	50		
	To Bills Receivable			57	50
17					
Cash		200			
	To Bills Receivable			200	
18					
Cash		1200			
	To Ship't to New Haven			1200	
20					
Cash		4500			
	To C. S. Dole & Co.'s Cons't			4500	
22					
Cash		3000			
	To Union Bank Stock			3000	
25					
Sundries	To Cash[7]			1005	83
Bills Payable		1000			
Interest		5	83		
		11238	33	11238	33

5 *NEW YORK, March 25, 1872.*

	Paid cash for our Note of the 14th ult., at 5 mos., favor of A. M. Clapp,		
✓	Face of Note		1600
✓	Cash paid	1565.57	
	Discount off to July 18	34.43	
		1600.00	
	〃		
✓	Sold J. H. Goldsmith, for cash,		
	500 bbls. Superfine Flour (C. S. D. & Co.'s Consignment) @ $8.50		4250
	〃		
✓	Accepted J. R. Wheeler & Co.'s Draft on us at 3 days' sight		11575
	27		
	Closed C. S. Dole & Co.'s Consignment, and rendered them an Account Sales—3000 bush. Rye remaining unsold,		
	Our charges for Storage and Advertising	50.00	
✓	Our Commission on Sales	318.75	
	C. S. Dole & Co.'s net proceeds	12081.25	
			12450
	〃		
✓	Paid our Note favor of Francis & Loutrel, in cash		235
	〃		
✓	Remitted C. S. Dole & Co. cash to balance %		12081 25
	31		
✓	Paid sundry Expenses this month, in cash		75
			42266 25

NOTES OF REFERENCE.—[1] "Shipment to Albany" is a name given to this venture to distinguish it from Merchandise in Store. It is as though we had sold the Merchandise, and immediately invested the proceeds in this venture.

[2] "J. R. Wheeler & Co.'s Consignment" is, in effect, a personal account—J. R. W. & Co.'s account—although it is used to represent the *property* of that firm, which we, as Commission Merchants, receive to sell. Instead, therefore, of debiting the Consignment account with the value or cost of the property, we debit it only with what it has cost us.

[3] Ivison & Phinney's draft on us is simply their order for the amount we owe them. If we accept or pay the draft, we must, of course, debit them with the amount.

[4] The effect of this entry is to close the Consignment account of J. R. Wheeler & Co., and show its results in the proper accounts. The net result, so far as we are concerned, is that we have sold the property, and, after deducting our charges for Storage, Advertising, and Commission, we owe J. R. Wheeler & Co. the avails—$11575. The Consignment account, having served its purpose, now ceases to exist, or is merged into J. R. Wheeler & Co.'s account.

[5] Having debited "Shipment to Albany" with its cost, we now credit it with its proceeds, the same as any property or representative account. The difference will be, in this case, a loss.

NEW YORK, March 25, 1872. 5

Bills Payable	To Sundries[8]	1600			
	Cash			1565	57
	Interest			34	43
	"				
Cash		4250			
	To C. S. Dole & Co.'s Cons't			4250	
	"				
I. R. Wheeler & Co.		11575			
	To Bills Payable			11575	
	27				
C. S. Dole & Co.'s Cons't	To Sundries	12450			
	Storage and Advertising			50	
	Commission			318	75
	C. S. Dole & Co.			12081	25
	"				
Bills Payable		235			
	To Cash			235	
	"				
C. S. Dole & Co.		12081	25		
	To Cash			12081	25
	31				
Expense		75			
	To Cash			75	
		42266	25	42266	25

[6] It is ordinarily best to keep the proprietor's "Stock" or Capital account sacredly to its purpose—that of showing the net investment. If, therefore, he has dealings with the concern as a private individual, such as drawing out money temporarily, or negotiating any personal matter, such transactions should be recorded in a special account, which should be treated and considered the same as any personal account.

[7] All accounts representing Cash—viz., Personal accounts, Bills Receivable and Bills Payable—should, like Cash, be debited and credited with the expressed value. All accumulations in the way of interest, or depreciations from any source, should be shown in other accounts. In this case the face of the note is $1000, but the worth of the note, with the accumulated interest, is $1005.83; and this is the amount we must pay to cancel it. We therefore debit Bills Payable with the face of the note, and Interest with the amount we pay for interest.

[8] In this case the note is worth *less* than its expressed value, as it has yet a certain time to mature, and the use of the money is worth something. This use is estimated at $34.43; therefore, in redeeming the note at this time we are allowed this amount, which being deducted from the face of the note, leaves us to pay in cash $1565.57. We debit Bills Payable with the face of the note, and credit Cash for the amount paid, and Interest for the difference—that being the amount produced by Interest, or by paying our note before it is due.

STATEMENTS.

Trial Balance.

H. B. Bryant	12606		25693	25
Merchandise (Unsold, $37.50)	2118		1848	50
Union Bank Stock	3100		3000	
Real Estate (Unsold, $12000)	12150		500	
Cash	30421	25	19083	60
Bills Receivable	5257	50	757	50
Union Bank	1000			
Bills Payable	3335		14910	
Mortgage Payable			9000	
Ship't to Albany	741		150	
Ship't to New Haven	1548	70	1200	
E. R. Felton	4000			
Interest (Accrued on Mortgage Payable, $84)	5	83	34	43
Storage and Advertising			115	
Commission			691	
Expense	200			
Private Account	500			
	76983	28	76983	28

Statement of Losses and Gains.

	Losses.		Gains.	
Merchandise	232			
Union Bank Stock	100			
Real Estate			350	
Shipment to Albany	591			
Interest	55	40		
Storage and Advertising			115	
Commission			691	
Expense	200			
Shipment to New Haven	348	70		
Net Loss			371	10
	1527	10	1527	10

Statement of Resources and Liabilities.

	Resources.		Liabilities.	
Merchandise	37	50		
Real Estate	12000			
Cash	11337	65		
Bills Receivable	4500			
Union Bank	1000			
Bills Payable			11575	
Mortgage Payable			9000	
Interest Payable			84	
E. R. Felton	4000			
H. B. Bryant's net investment			12216	15
	32875	15	32875	15

THE BUSINESS CLOSED OUT.

The foregoing statement is presumed to be in accordance with the results shown in the student's Ledger, and affords all the necessary material for closing the business in due form. The main facts only are given here, leaving it for the student to follow the analytical method as presented in Set II. An important feature of this set is the incurrring of a net loss, thus decreasing the investment, instead of increasing it as in the previous sets. Another feature is the recognition of accumulated interest on Mortgage Payable, thus instancing a liability not as yet shown in the Ledger. [The inventories, instead of being presented in detail, are simply noted in the Trial Balance in connection with the proper accounts.] The use of this item in giving the true standing of the Interest account is important in all its applications.

The proprietor of the business now proposes to reduce his resources to cash with a view of engaging in a new business with a partner. The transactions which follow are to this end.

TRANSACTIONS.

Apr. 1.—Invested in the concern of Bryant & Stratton, cash, $10,000.*

2.—Received cash of E. R. Felton, in full of %.

3.—Sold Bryant and Stratton, store and fixtures for $12500; transferred mortgage, $9000; interest on same, $84; received balance in cash, $3416 - - - - - Redeemed our acceptance favor of J. R. Wheeler & Co., $11575; gave in payment, W. H. Crocker's note, due May 7, $4500; less discount for 34 ds., $29.75; cash, $7104.75.†

10.—Sold James Atwater, Lockport, for cash, 50 sets Spencerian Writing Books, @ 80¢.

15.—Deposited cash in Union Bank, $1688.90.

30.—Drew from Union Bank and invested in Bryant & Stratton's concern, $2688.90.

FINAL RESULT.

Resources.		*Liabilities.*	
Bryant & Stratton's concern - - -	$12688.90	H. B. Bryant - - - - - - - -	$12688.90

---

* The record of this transaction will exhibit in a clear light the relation of the proprietor to his business. This is the business of H. B. Bryant, the results of which are to be transferred to the new concern of Bryant & Stratton. There are two ways of viewing the transaction: 1, It may stand as an investment, being debited as such under the name of "Bryant & Stratton," or "Mercantile Enterprise," or, 2, it may be considered as capital withdrawn, and be charged to H. B. Bryant's Stock account. The subsequent withdrawals being recorded in the same manner, H. B. Bryant's account will be closed as soon as the resources are all withdrawn. In case the former method is adopted, the business would be kept open merely to record the yearly profits on the new investment.

† W. H. Crocker's note, which we hold, is worth its face, *less the interest for unexpired time;* hence we pay for our acceptance, $11575, and for interest on Crocker's note, $29.75.

AUXILIARIES.

The books and forms here given will explain themselves in connection with the

1872 — Brls. Flour. / Bush. Wheat. — J. R. Wheeler & Co.'s

Mar. 2	500	5000	*Per N. Y. and E. R. R.*						
			To Cash - - - - - - - -	*Paid Transpt'n Charges* -	100				
" 6			Storage & Advertising - - - - - - - - - -		25				
			Commission - - - - - -	2½ % *on* $12000 - - - -	300			425	
			J. R. Wheeler & Co. - -	*Net Proceeds* - - - - -				11575	
	500	5000		*Due by Equation Mar. 30.*				12000	

1872 — Bush. Corn. / Bush. Oats. / Bush. Wheat. — M. B. Scott's

Mar. 5	800	2000	500	*Per Steamer New World.*					
				To Cash - - - - - -	*Paid Freight and Ins.* -	175			
" 9				Storage & Advertising - - - - - - - - -		40			
				Commission - - -	2½ % *on* $2890 - - - -	72	25	287	25
				Cash - - - - - -	*Net Proceeds remitted* - -			2602	75
	800	2000	500					2890	

1872 — Brls. Ex. Flour. / Brls. S. F. Flour. / Bush. Rye. — C. S. Dole & Co.'s

Mar. 12	500	1000	3000	*Per People's Line.*					
				To Cash - - - - - -	*Paid Freight* - - - - -	300			
" 27				Storage & Advertising - - - - - - - - -		50			
				Commission - - -	*On* $12750 @ 2½ % - - -	318	75	668	75
				C. S. Dole & Co. -	*Net Proceeds* - - - - -			12081	25
					Due by Equation Mar. 29.				
	500	1000	3000					12750	

SALES - BOOK.

AUXILIARIES.

transactions which they record. This feature will be more fully illustrated in future sets.

1872 — Consignment.

	Brls. Flour.	Bush. Wheat.			
Mar. 5			By Bills Receivable - - - *Sold W. H. Crocker on his Note @ 60 days,*		
	500		@ $9.00 - - - -	4500	
" 6			Cash - - - - - - - - *Sold J. C. Bryant,*		
		5000	@ $1.50 - - - -	7500	12000
	500	5000			12000

1872 — Consignment.

	Bush. Corn.	Bush. Oats.	Bush. Wheat.			
Mar. 7				By Ship't to N. H., *Assumed and Ship'd Cobb & Co.*		
	800			@ 80¢ - - - - -		640
" 9				Cash - - - - - *Sold C. Claghorn,*		
		2000		@ 75¢ - - - - -	1500	
			500	@ $1 50 - - - -	750	2250
	800	2000	500			2890

1872 — Consignment.

	Brls. S. F. Flour.	Brls. S. Flour.	Bush. Rye.			
Mar. 13				By E. R. Felton - - *Sold him @ 30 days,*		
		500		@ $8.00 - - - -	4000	
" 20				Cash - - - - - *Sold Jno. R. Penn,*		
	500			@ $9.00 - - - -	4500	
" 25				Cash - - - - - *Sold J. H. Goldsmith,*		
		500		@ $8.50 - - - -	4250	12750
			3000	*Unsold.*		
	500	1000	3000			12750

FORMS OF ACCOUNTS OF SALES.

Account Sales of { 500 brls. Flour, 5000 bush. Wheat, } on % and risk of J. R. Wheeler & Co.

Mar.	5	Sold Wm. H. Crocker, on his Note @ sixty days, 500 brls. Flour, @ $9	4500.00	
	6	Sold J. C. Bryant, for Cash, 5000 bush. Wheat, @ $1.50	7500.00	12000
		Charges.		
	2	Paid Freight, in Cash	100.00	
	6	Storage and Advertising	25.00	
		Commission, 2½% on $12000	300.00	425
		J. R. W. & Co.'s net proceeds		11575

Due by Equation, March 30.

E. E.

H. B. BRYANT,
per Packard.

NEW YORK, *March 6, 1880.*

M. B. Scott—In Account Sales with H. B. Bryant.

1880					1880				
Mar.	5	To Cash paid Freight and Ins.	175		Mar.	7	By 800 bush. Corn, @ 80¢		640
	9	Storage and Advertising	40				Taken to our account.		
		Commission 2½% on $2890	72	25		9	By Cash, Sold C. Claghorn,		
		M. B. Scott's net proceeds	2602	75			2000 bush. Oats @ 75¢ $1500		
		Remitted herewith					500 bush. Wheat @ $1.50 750		
									2250
		E. E.	2890				H. B. BRYANT,		2890
		NEW YORK, *March 9, 1880.*					*per Packard.*		

Sales of { 500 brls. Extra Superfine Flour, 1000 do. Superfine do., } for % of C. S. Dole & Co.

By H. B. BRYANT.

			Barrels Ex. Sup Flour.	*Barrels Super. Flour.*				
Mar.	13	E. R. Felton, @ thirty days		500	@ $8.00			4000
	20	Cash	500		@ 9.00			4500
	25	Cash		500	@ 8.50			4250
			500	1000				12750
		Charges.						
	12	Paid Freight in Cash				300		
	27	Storage and Advertising				50		
		Commission on Sales, 2½% on $12750				318	75	668 75
		Net proceeds to Cr. as cash, March 29						12081 25

E. & O. E.

H. B. BRYANT,
per Packard.

PRACTICAL EXERCISES.

[To be written up after the manner of Set III.]

TRANSACTIONS.—THIRD SERIES.

This business is a continuation of that represented in Second Series, page 42, and starts with the resources and liabilities as indicated in the Statement on page 43. It is located in New York.

Mar. 1.—J. C. Bryant has paid his note of Feb. 6, due Feb. 19, in cash. Face of note, $274.75; interest for 10 days, at 6% *per annum*, $0.46 - - - - - Received from J. C. Bryant, Buffalo, to be sold on his account and risk, 200 brls. Flour, invoiced at $8; 10,000 lbs. Canvassed Hams, invoiced at 11¢; paid freight on same in cash, $100.

3.—Sold A. J. Couch, for cash, 60 sacks Coffee, 3906 lbs., @ 20¢ - - - - - Bought of L. Siegel, on our note at 3 months, 6 pipes Wine, 720 gals., @ $3.50, and consigned the same to Rogers & Co., Cleveland, to be sold on our % and risk; paid cash for insurance on same, $50.

5.—Sold J. T. Young, on his note @ 3 months, 200 brls. Flour (Bryant's Consignment), @ $9 - - - - - Paid Z. Richards, cash in full of % - - - - Bo't of F. B. Thurber, on %, 100 boxes Sugar, each 500 lbs., @ 5¢ - - - - - Shipped George Brown, Albany, for our % and risk, the above Sugar, estimated at cost; paid cash for drayage and insurance, $25.

6.—Paid cash for stationery and incidentals, $25.92 - - - - - Sold J. Meyer for cash, 5000 lbs. Canvassed Hams (Bryant's Consignment), @ 11¢ - - - - - Sold Amos Cummings, 10 brls. Flour, @ $9; received in part payment, cash $50.

8.—Sold for cash, 5000 lbs. Canvassed Hams (Bryant's Consignment), @ 11½¢ - - - - - Closed Bryant's Consignment, and rendered him account of the same; our charge for storage and advertising, $25; our commission, 2½% on $2925, $73.12; Bryant's net proceeds, $———; due by equation.

9.—Received of Clarence King, Chicago, for his % and risk, 2000 bush. Corn, invoiced at 80¢; 1000 bush. Wheat, at $1.50; paid freight, in cash, $150 - - - - - Sold A. B. Smith, for cash, from King's Consignment, 1000 bush. Corn, @ 85¢; 1000 bush. Wheat, @ $1.70.

10.—Received advice from Rogers & Co., Cleveland, of the closing out of our consignment of Mar. 3; our net proceeds, $3250 - - - - - Received from W. A. Miller his sight draft for $500 on M. Halladay & Co., which we have remitted them on our %.

12.—Discounted our note of $2520, favor of L. Siegel, due June 6; discount, 86 days, $36.12; paid net amount in cash - - - - - Compromised with A. C. Lobeck, at 75%, for his indebtedness of $212, receiving in full thereof his note at 3 months with interest, for $159.

15.—Received cash of Amos Cummings, in full of % - - - - - Received advise from George Brown, Albany, of the destruction by fire of the Sugar consigned him on the 5th; the net returns from insurance are $1950, which our agent has remitted in cash.

20.—Paid store expenses in cash, $138.20 - - - - - J. T. Young has discounted his note of $1800, due June 8, paying the net amount in cash; discount for 80 days, $24.

25.—Sold C. Claghorn, 400 bush. Wheat at $1.55, receiving therefor his sight draft on M. Halladay & Co., which we have remitted them on %.

INVENTORY.—200 bush. Wheat, @ $1.50 - - - - - 300
200 brls. xxx Flour, @ $9 - - - - - 1800
$2100

LEDGER RESULTS.

Dr.			Cr.	
		STOCK	6667	71
5969	02	MERCHANDISE	3991	20
13870	39	CASH	3373	
2233	75	BILLS RECEIVABLE	2074	75
2520		BILLS PAYABLE	3520	
1120		M. HALLADAY & CO.	1711	04
24		INTEREST	36	58
2570		SHIP'T TO CLEVELAND	3250	
		F. B. THURBER	2500	
2525		SHIP'T TO ALBANY	1950	
164	12	EXPENSE		
		J. C. BRYANT	2726	88
		COMMISSION	73	12
		CHARGES	25	
150		KING'S CONSIGNMENT	2550	
3250		ROGERS & CO.		
53		LOSS & GAIN		
34449	28		34449	28

NET GAIN - - - - - $120.76

QUESTIONS FOR REVIEW.

1. In what respect does a "Shipment" account differ from Merchandise?—*2.* What is the distinction beween a Shipment account and a Consignment account as treated in this Set?—*3.* In what sense is a Consignment account personal?—*4.* Do you debit a Consignment account with the value or cost of the goods it represents?—*5.* How would such an entry affect the business?—*6.* When the property represented in the account is disposed of, why do you cancel the account?—*7.* How are the net proceeds of a consignment determined?—*8.* What is represented by "Storage and Advertising" account?—*9.* What by Commission?—*10.* What is a draft?—*11.* Why do you debit Ivison & Phinney with the *face* of their draft?—*12.* How does H. B. Bryant's private account differ from his Stock account?—*13.* How may a private account be closed?—*14.* With what amounts ought notes and cash to be debited and credited?—*15.* If they are worth more or less than their face, how may the difference be shown?—*16.* What is a correct definition of Interest from the accountant's view?—*17.* How will a loss in business affect the proprietor's account?—*18.* How many methods, and what are they, of showing the gain or loss in business?

SET IV.

JOURNAL DAY-BOOK,

COMMISSION SALES-BOOK, INVOICE-BOOK, FORMS OF NOTES, DRAFTS, LETTERS, ETC.

LEDGER CLOSED WITHOUT BALANCE ACCOUNT; ALSO, BY JOURNAL ENTRIES.

PARTNERSHIP BUSINESS: PROSPEROUS.

REMARKS ON SET IV.

This set covers a number of new features to which attention is here directed.

FIRST.—*The form of first entry—combining Day-Book and Journal.*—This is, in fact, the most common form where all the transactions are recorded in one book. The only purpose in keeping the Day-Book and Journal separate up to this point has been to enforce the characteristics of each. The combination is not only well as a matter of economy, but proper in all respects. The only difficulty which the student will encounter will be in making the entry plain and symmetrical, and this will prove to him a most excellent practice.

SECOND.—*The introduction of temporary copartnerships.*—This species of copartnership often exists between the consignor and consignee in reference to particular ventures. It may be as to a single consignment or as to a series of consignments of a particular kind of goods. It is customary, however, to treat each consignment separately, and to divide the profits or losses as soon as the sales are completed and the results known. The only difference between a "merchandise company" adventure and a simple consignment is that, while in the latter there exists between the consignor and consignee the simple relations of principal and agent, in the former there is a mutual interest in the venture, in short, a copartnership. Thus, while in the simple consignment, the consignee is an employee on commission, or an agent looking solely to the percentage on sales for his compensation, in the merchandise company he is not only an agent, and paid as such, but a part-principal, and entitled to his share of the profits. This fact presents the only difficulty in keeping the accounts; and in order to meet this difficulty, as also to make it the means of general instruction, two distinct methods of treatment are here given.

It will be borne in mind that the records of these mixed consignments are to be kept in the books of the general business; or rather that a separate set of books cannot be opened with each as a business of itself. Could this be done, there would be no necessity for any temporary expedients. As it is, however, the books of a consignor or a consignee are made to cover all varieties of ventures, from a simple consignment to a complicated copartnership; and hence, the theories under which the records are made are, in a degree, arbitrary and special—the main point being to make the record complete so far as the partnership relations are concerned, and to so keep the special accounts as not to confuse the general record of the business. Thus, in every instance, so soon as the consignments are closed out, and the partnership interests adjusted, the consignment accounts cease to exist.

In the concurrent records of the merchandise company transactions, two slightly varying theories are illustrated or enforced, and the separate methods are distinguished as "First" and "Second." The theory involving the *First Method* is that the person having possession of the joint property should be held responsible for it, as well as for its avails when sold; and hence, when the consignor sends to the consignee the joint consignment, he charges him with the *entire cost*, the same as in case of actual sale. Recognizing this fiction, the consignee correspondingly credits the consignor, and debits

the representative account, precisely the same as he would in case of actual purchase.* By this record he has anticipated so much of the sale as would be necessary to reimburse the consignor, leaving the final adjustment until the consignment is closed out. Should the result be a *gain*, the consignor is then credited with his share, and his account will show—in the two credits—his "net proceeds." Should the result be a *loss*, the consignor is debited with his share, and the *balance* of his account will show his net proceeds.

The theory which underlies the *Second Method* attempts to recognize the legal responsibilities of the case; thus, when the joint merchandise is sent by the consignor he considers his *own share* as a personal venture and charges the consignor with his (the consignor's) share, the same as he would if sold independently. Adopting this method, the consignee, when he receives the joint goods, considers himself responsible for his own share only, and credits the consignor accordingly. When the goods are sold, and the consignee has the avails thereof, he credits the consignor with the entire net proceeds of his share—be it more or less than the cost of the same; and correspondingly the consignor upon receiving an account of sales, debits the consignee.

These different "methods" are sufficiently elaborated in the transactions which follow—the First Method being recognized in the business of April, and the Second Method in that of May.

The student may be troubled to dispose of Merchandise Company accounts while in a current condition, as they do not clearly belong to either class, but have the elements of both classes. This is one of the reasons for getting them out of the way as soon as the work for which they are opened is accomplished. If a statement of the business is required when there are pending Merchandise Company accounts, a little practical sense will serve to make the proper estimates and discriminations.

THIRD.—*The different methods of closing the Ledger.*—In the month of April, the Ledger is closed without the use of a Balance account, by bringing down the resources and liabilities under their proper accounts. This is the *business* method; and if each month is supposed to represent a year, this would be a fair example of the manner of closing business books at the end of each year, forming a basis of resources and liabilities for the next year's accounts. The method of closing the Ledger by Journal entries, as exemplified in the month of May, is usual in some houses, though requiring more labor, and possessing no advantage over the method heretofore explained. The usual entry in bringing down resources and liabilities is: "Old account, Dr. To New account," and the reverse. The "Balance" account is precisely the same as "New account."

FOURTH.—*A larger variety of auxiliary forms.*—We have introduced a great variety of auxiliaries that the student may become familiar with forms. We shall hereafter use these books in connection with the Journal to contain original entries. This practice is well nigh universal in the larger business houses, for the purpose of dividing labor and avoiding unnecessary writing. Thus one clerk keeps the Invoice-Book, another the Sales-Book, another the Cash-Book, etc., and each of these are so kept as to post directly from them to the Ledger, instead of passing the transactions through the Journal.

---

* The presumption in all these cases is that the consignor furnishes from his own resources the property shipped.

1 *NEW YORK, April 1, 1872.*

2	Cash		10000	
1		To H. B. Bryant		10000
	Investment.			
	〃			
2	East River Bank		10000	
1		To H. D. Stratton		10000
	Investment.			
	〃			
1	Store and Fixtures	To Sunds:	12500	
1		Mortgage Payable		9000
3		Interest		84
2		Cash		3416
	Bo't of H. B. Bryant his store and fixtures, assuming mortgage and interest to date, and paying balance in cash.			
	3			
3	Merchandise		3900	
4		To Hope & Co.		3900
	5 casks Brandy, 300 gals., @ $2, 600			
	200 bbls. Mess Pork, @ 9, 1800			
	30,000 lbs. Bacon Sides, @ 5¢, 1500			
	Bo't at 30 d's.			
	〃			
3	Expense		75	
2		To Cash		75
	Set of Books for Store.			
	〃			
4	Mdse. Co. A.	To Sunds:	3900	
4		Logan, Wilson & Co.		3800
2		Cash		100
	800 kegs Nails, @ $3, 2400			
	20,000 lbs. Lead, @ 7¢, 1400			
	Freight on same, 100			
	Rec'd from L. W. & Co., Pittsburgh, to be sold on our joint % and risk, each ½.			
	4			
5	Mdse. Co. B.		4000	
3		To Niles & Kinne		4000
	500 bbls. Flour, @ $8, received from N. & K., Buffalo, to be sold on our joint % and risk, each ½.			
	5			
2	Cash		1400	
4		To Mdse. Co. A.		1400
	400 kegs Nails, @ $3.50, sold Wm. H. Woodbury.			
			45775	45775

NEW YORK, April 6, 1872. 2

5	Bills Receivable		3300		
4	To Mdse. Co. A.			3300	
	20,000 lbs. Lead, @ 9¢, 1800				
	400 kegs Nails, @ $3.75, 1500				
	Sold Robt. Haywood on note at 30 ds.				
	〃				
4	Mdse. Co. A. To Sunds:		800		
5	Storage and Advertising			10	
5	Commission			117	50
4	Logan, Wilson & Co.			336	25
4	Loss and Gain			336	25
	Closed Sales in company with Logan, Wilson & Co., and rendered them an % of the same. Commission, 2½% on sales. (See C. S. B.)				
	〃				
3	Niles & Kinne To Sunds:		2915		
5	Bills Payable			2900	
2	Cash			15	
	Shipped N. & K., Buffalo, to be sold on our joint %, each ½.				
	20 hhds. Sugar, 24000 lbs., @ 5¢, 1200				
	100 bags Coffee, 14,000 lbs., @ 10¢, 1400				
	100 boxes Raisins, @ $3, 300				
	Bo't of Acker, Merrall & Co., on our note, at 90 d's. Paid insurance, ½% on $3000.				
	8				
6	Charles Stetson		4500		
5	To Mdse. Co. B.			4500	
	500 bbls. Flour, @ $9, sold at 30 d's.				
	〃				
5	Mdse. Co. B. To Sunds:		500		
5	Storage and Advertising			20	
5	Commission			112	50
3	Niles & Kinne			183	75
4	Loss and Gain			183	75
	Closed Sales in company with Niles & Kinne, and rendered them an % of the same. Commission, 2½%. (See C. S. B.)				
	9				
3	Sunds: To Merchandise			1800	
2	Cash		800		
5	Bills Receivable		1000		
	30,000 lbs. Bacon, @ 6¢, sold Austin Packard, receiving his note at 30 d's for $1000, and cash for balance.				
	〃				
4	Logan, Wilson & Co.		4136	25	
5	To Bills Payable			4136	25
	Accepted their draft at 30 d's sight, favor G. K. Chase & Co., in full of %.				
			17951	25	17951	25

3 *NEW YORK, April 9, 1872.*

6	Mdse. Co. C.	To Sunds:	8700			
6		Pliny Moore			5666	67
6		S. G. Payn			2833	33
2		Cash			200	
	1000 bbls. Flour, @ $8.50, received per Merchants' Line from Pliny Moore, Troy, to be sold on joint % of himself, S. G. Payn, Albany, and ourselves, each ⅓, as per contract. Paid freight in cash. (See C. S. B.)					
	12					
6	Steamer Empire Stock	To Sunds:	10000			
2		Cash			5000	
5		Bills Payable			5000	
	Bo't of Daniel Drew ⅓ steamer Empire, for half cash and half note at 90 ds.					
	13					
6	Sunds:	To Mdse. Co. C.			10000	
5	Bills Receivable		7000			
2	Cash		3000			
	1000 bbls. Flour, @ $10, sold W. P. Spencer, Buffalo, on his note at 40 ds. and cash.					
	"					
6	Mdse. Co. C.	To Sunds:	1300			
5		Storage and Advertising			30	
5		Commission			250	
6		Pliny Moore			340	
6		S. G. Payn			340	
4		Loss and Gain			340	
	Closed sales in company with Moore and Payn, and rendered each an % of the same, charging 2½% com. on sales.					
	15					
2	Cash		900			
3		To Mdse.			900	
	5 casks Brandy, 300 gals., @ $3, sold J. W. Lusk, Cleveland.					
	16					
3	Mdse.	To Sunds:	1800			
2		Cash			800	
6		Acker, Merrall & Co.			1000	
	30 hhds. Sugar, 30,000 lbs., @ 6¢, bo't of A., M. & Co., as above.					
	18					
2	Sunds:	To Cash			200	
3	Expense		50			
6	H. D. Stratton, private		150			
	Paid clerk hire to 15th; and H. D. S. on %.					
			32900	00	32900	00

NEW YORK, April 20, 1872. 4

5	Sunds: To Bills Receivable			1000	
2	Cash	995	73		
3	Interest	4	27		
	Austin Packard has discounted his note in our favor, due May 12th.				
	"				
3	Niles & Kinne	300			
4	To Loss and Gain			300	
	Received of N. & K. an account sales of the Mdse. sent them to be sold on joint % on the 7th inst. Our ½ net gain, as above.				
	22				
	Sunds: To Sunds:				
6	S. G. Payn	1333	34		
6	Pliny Moore	666	66		
3	Mdse.			1950	
2	Cash			50	
	30 hhds. Sugar, 30,000 lbs., @ 6½¢, shipped S. G. Payn, Albany, to be sold on joint % of S. G. Payn, Pliny Moore of Troy, and ourselves, each ⅓. Paid freight in cash.				
	25				
7	H. B. Bryant, private	200			
2	To East River Bank			200	
	Check No. 1. (See Ck. B.)				
	"				
3	Niles & Kinne	968	75		
2	To East River Bank			968	75
	Paid their draft on us favor of R. Courter, per check No. 2. (See Ck. B.)				
	28				
2	Cash	1500			
1	To Store and Fixtures			1500	
	Received rent for lofts to date.				
	"				
7	Steamer Empire	250			
6	To Steamer Empire Stock			250	
	For our share of earnings of last trip, as per statement received this day.				
	29				
3	Expense	159			
2	To Cash			159	
	Sundry expenses to date, as per Expense Book.				
		6377	75	6377	75

5 *NEW YORK, April 28, 1872.*

4	Loss and Gain		115		
6	To S. G. Payn			115	
	For ⅓ net loss on shipment of Sugar for joint % of Payn, Moore, and ourselves, of the 22d inst., as per account sales this day received.				
	30				
2	Cash		2688	90	
1	To H. B. Bryant			2688	90
	Additional investment made this day.				
	May 1				
7	Mdse. Co. D. To Sunds:		1460		
7	Wm. K. Sadler			1410	
2	East River Bank			50	
	100 bbls. Cider Vinegar, @ $7; 50 bbls. Linseed Oil, @ $40; 40 h'f kegs White Lead, @ $3; received from Wm. K. Sadler, Philadelphia, to be sold on our joint %, each ½. Paid freight per check No. 3. (See C. S. B.)				
	"				
2	East River Bank		8500		
2	To Cash			8500	
	Deposited. (See Ck. B.)				
	2				
	Sunds: To Sunds:				
7	R. W. Hoadley		909		
7	Ship't in Co. 1		909		
3	Mdse.			1800	
2	Cash			18	
	200 bbls. Mess Pork, @ $9, shipped R. W. Hoadley, Philadelphia, to be sold on joint %, each ½. Paid drayage in cash.				
	3				
2	Cash		750		
7	To Mdse. Co. D.			750	
	100 bbls. Cider Vinegar, @ $7.50, sold J. R. Bigelow.				
	"				
7	Insurance		37	50	
2	To Cash			37	50
	Effected insurance for $5000 on any property that may be in our warehouse.				
			15369	40	15369	40

NEW YORK, May 3, 1872.

8	Hanna, Beaser & Co.		2370		
7		To Mdse. Co. D.			2370
	50 bbls. Linseed Oil, @ $45, $2250				
	40 h'f kegs White Lead, @ 3, 120				
	Sold at 60 ds., and shipped to them at Detroit, per order				
		,,			
7	Mdse. Co. D.	To Sunds:	1660		
8		Charges			50
5		Commission			78
7		Wm. K. Sadler			1471
4		Loss and Gain			61
	Closed sales in company with Wm. K. Sadler, and rendered him an account sales, entering as charges storage, advertising, and insurance. Commission, 2½% on sales. (See C. S. B.)				
		5			
3	Expense		150		
2		To East River Bank,			150
	Paid adv. bills of N. Y. Herald, per check No. 4.				
		6			
8	Mdse. Co. E.	To Sunds:	2500		
8		F. A. Boyle & Co.			2000
2		East River Bank			500
	100 hhds. Sugar, @ $60, received of F. A. Boyle & Co., New Orleans, to be sold on joint % of themselves, Campbell & Strong, and ourselves, each ⅓. Paid freight per check No. 5. (See C. S. B.)				
		,,			
8	Mdse. Co. F.	To Sunds:	4000		
8		H. D. Van Syckel			3500
2		East River Bank			500
	500 bbls. Pork, @ $9; 250 bbls., 50,000 lbs., Lard, @ 5¢; received of H. D. Van Syckel, St. Louis, to be sold on our joint %, each ½. Paid freight per check No. 6. (See C. S. B.)				
		8			
8	Sunds:	To Mdse. Co. E.			7500
5	Bills Receivable		5000		
3	Interest		123	47	
2	Cash		2376	53	
	100 hnds. Sugar, @ $75, sold Wm. A. Holley, Fort Edward, receiving Erastus Corning's note of Jan. 1, 1872, at one day, with accumulated interest, and balance as above.				
			18180		18180

NEW YORK, May 8, 1872.

8	Mdse. Co. E.	To Sunds:		5000		
8		Charges			50	
5		Commission			187	50
8		F. A. Boyle & Co.			2254	16
8		Campbell & Strong			2254	17
4		Loss and Gain			254	17
	Closed "Mdse. Co. E," and rendered account sales of the same to F. A. Boyle & Co. and Campbell & Strong, New Orleans. Charges include storage, advertising, etc. Commission, 2½% on sales. (See C. S. B.)					
		"				
2	Cash			3300		
5		To Bills Receivable			3300	
	Received of R. Haywood for his note due this day.					
		10				
2	East River Bank			4000		
2		To Cash			4000	
	Deposited.					
		12				
2	Sunds:	To East River Bank			4657	50
1	Mortgage Payable			4500		
3	Interest			157	50	
	Paid, per check, on mortgage favor Wm. B. Astor, including interest on same to date.					
		13				
5	Bills Payable			4136	25	
2		To East River Bank			4136	25
	Paid our acceptance, favor Logan, Wilson & Co., due this day.					
		"				
4	Hope & Co.			3900		
5		To Bills Payable			3900	
	Accepted their draft at ten days' sight.					
		14				
2	Cash			4750		
8		To Mdse. Co. F.			4750	
	500 bbls. Pork, @ $9.50, sold E. A. Charlton.					
				29743	75	29743	75

NEW YORK, May 15, 1872. 8

8	Hanna, Beaser & Co.	275			
4	To Loss and Gain			275	
	Received advice from them of an error in an account sales of last year's business, in which we were credited too little by the above amount.				
	15				
8	Sunds: To Hanna, Beaser & Co.			2645	
2	Cash	2600	05		
3	Interest	44	95		
	Sold our draft on them at 30 days' sight, receiving proceeds less discount and exchange.				
	17				
2	Cash	2000			
8	To Mdse. Co. F.			2000	
	250 bbls. Lard, 50,000 lbs., @ 4¢, sold T. W. Woolson.				
	"				
	Sunds: To Sunds:				
8	Mdse. Co. F.	2750			
4	Loss and Gain	484	37		
8	Charges			50	
5	Commission			168	75
8	H. D. Van Syckel			3015	62
	Closed "Mdse. Co. F," and rendered H. D. Van Syckel, St. Louis, an account sales of the same. (See C. S. B.)				
	"				
8	H. D. Van Syckel	6515	62		
2	To Cash			6515	62
	Remitted in full of %.				
	"				
2	Cash	7000			
5	To Bills Receivable			7000	
	Received payment in full for W. P. Spencer's note of the 13th April.				
	23				
2	East River Bank	10000			
2	To Cash			10000	
	Deposited.				
		31669	99	31669	99

7	R. W. Hoadley		800		
7	To Shipment in Co. 1				800
	Amount of our net proceeds from shipment to him of the 2d inst., as per account sales just received.				
	26				
7	Wm. K. Sadler		2881		
5	To Bills Payable				2881
	Accepted draft at 30 days' sight, favor B. McGann, for amount due him.				
	27				
5	Bills Payable		3900		
2	To Cash				3900
	Paid our acceptance, favor of Hope & Co., due this day.				
	28				
2	Cash		4500		
6	To Charles Stetson				4500
	To balance %.				
	30				
6	Acker, Merrall & Co.		1000		
2	To Cash				1000
	To balance %.				
	31				
1	H. B. Bryant		200		
7	To H. B. Bryant, private				200
	For amount charged to H. B. B.'s private %, now carried to his capital %.				
	"				
1	H. D. Stratton		150		
6	To H. D. Stratton, private				150
	For amount charged to private %, now carried to capital %.				
	"				
3	Interest		15	68	
1	To H. B. Bryant				15 68
	Allowed 7% on his additional investment of April 30.				
			13446	68	13446 68

NEW YORK, May 31, 1872. 10

CLOSING ENTRIES.

8	Balance	15000			
1	To Store and Fixtures			15000	
	Valuation of property.				
	"				
1	Store and Fixtures	2500			
4	To Loss and Gain			2500	
	For increase in value of property.				
	"				
1	Mortgage Payable	4500			
8	To Balance			4500	
	Amount due on mortgage.				
	"				
8	Balance	4575	09		
2	To Cash			4575	09
	Amount on hand.				
	"				
8	Balance	21337	50		
2	To East River Bank			21337	50
	Balance on deposit.				
	"				
3	Interest	18	37		
8	To Balance			18	37
	Amount due from us to date on mortgage.				
	"				
8	Balance	146	82		
3	To Interest			146	82
	Amount due us to date on E. Corning's note.				
	"				
4	Loss and Gain	213	15		
3	To Interest			213	15
	Cost over proceeds of interest.				
	"				
4	Loss and Gain	150			
3	To Expense			150	
	Balance of expense account.				
		48440	93	48440	93

11 *NEW YORK, May 31, 1872.*

8	Balance		5000			
5	To Bills Receivable				5000	
	Note on hand (E. Corning's).					
	"					
5	Commission		434	25		
4	To Loss and Gain				434	25
	Gain on commission.					
	"					
5	Bills Payable		10781			
8	To Balance				10781	
	Our outstanding notes.					
	"					
6	Pliny Moore		5340	01		
8	To Balance				5340	01
	Amount due him.					
	"					
6	S. G. Payn		1954	99		
8	To Balance				1954	99
	Amount due him.					
	"					
8	Balance		10000			
6	To Steamer Empire Stock				10000	
	Valuation of our interest in Steamer Empire.					
	"					
8	Balance		250			
7	To Steamer Empire				250	
	Amount due us.					
	"					
8	Balance		1709			
7	To R. W. Hoadley				1709	
	Balance due us.					
	"					
4	Loss and Gain		109			
7	To Shipment in Co. 1				109	
	Our loss on shipment.					
			35578	25	35578	25

NEW YORK, May 31, 1872. 12

4	Loss and Gain			37	50	
7		To Insurance				37	50
	Cost of insurance.					
		"				
8	Charges			150		
4		To Loss and Gain				150	
	Gain on storage, advertising, etc.					
		"				
8	F. A. Boyle & Co.			4254	16	
8		To Balance				4254	16
	Amount due them.					
		"				
8	Campbell & Strong			2254	17	
8		To Balance				2254	17
	Amount due them.					
		"				
4	Loss and Gain	To Sunds:		2680	40	
1		H. B. Bryant				1340	20
1		H. D. Stratton				1340	20
	For net gain due each partner.					
		"				
1	H. B. Bryant			15785	14	
8		To Balance				15785	14
	For amount of his net capital.					
		"				
1	H. D. Stratton			13130	57	
8		To Balance				13130	57
	For amount of his net capital.					
				38291	94	38291	94

1

H. B. Bryant.

Dr. *Cr.*

1872						1872					
April	31	*To Balance, down* - -		*14629*	*26*	April	1	By Cash - - - - -	1	10000	
						"	30	" - - - - -	5	2688	90
						"	"	Loss and Gain - -	L4	1940	36
				14629	26					14629	26
May	31	To H. B. B., private -	9	200		May	1	By Balance, bro't down		14629	26
"	"	Balance - - - - -	12	15785	14	"	31	Interest - - - -	9	15	68
						"	"	Loss and Gain - -	12	1340	20
				15985	14					15985	14

H. D. Stratton.

Dr. *Cr.*

1872						1872					
April	30	*To Balance, down* - -		*11940*	*37*	April	1	By East River Bank -	1	10000	
						"	30	Loss and Gain - -	L4	1940	37
				11940	37					11940	37
May	31	To H. D. S., private -	9	150		May	1	By Balance, bro't down		11940	37
"	"	Balance - - - - -	12	13130	57	"	31	Loss and Gain - -	12	1340	20
				13280	57					13280	57

Store and Fixtures.

Dr. *Cr.*

1872						1872					
April	3	To Sundries - - - -	1	12500		April	28	By Cash - - - - -	6	1500	
"	30	*Loss and Gain* - -	L4	*1500*		"	30	*Balance, down*		*12500*	
				14000						14000	
May	1	To Balance, bro't down		12500		May	31	By Balance - - - -	11	15000	
"	31	Loss and Gain - -	11	2500							
				15000						15000	

Mortgage Payable.

Dr. *Cr.*

1872						1872					
May	12	To East River Bank -	7	4500		April	3	By Store Fixtures - -	1	9000	
"	31	Balance - - - -	10	4500							
				9000						9000	

Cash

Dr. *Cr.*

1872						1872					
April	1	To H. B. Bryant	1	10000		April	3	By Store and Fixtures	1	3416	
"	5	Mdse. Co. A.	1	1400		"	3	Expense	1	75	
"	9	Mdse.	2	800		"	4	Mdse. Co. A.	1	100	
"	13	Mdse. Co. C.	3	3000		"	7	Niles & Kinne	2	15	
"	15	Mdse.	3	900		"	9	Mdse. Co. C.	3	200	
"	20	Bills Receivable	4	995	73	"	12	Stmr. Empire Stock	3	5000	
"	28	Store and Fixtures	4	1500		"	16	Mdse.	3	800	
"	30	H. B. Bryant	5	2688	90	"	18	Sundries	3	200	
						"	22	"	4	50	
						"	29	Expense	4	159	
						"	30	*Balance, down*		*11269*	*63*
				21284	63					21284	63
May	1	To Balance, bro't down		11269	63	May	1	By East River Bank	5	8500	
"	3	Mdse. Co. D.	5	750		"	2	Sundries	5	18	
"	8	Mdse. Co. E.	7	2376	53	"	3	Insurance	5	37	50
"	9	Bills Receivable	7	3300		"	10	East River Bank	7	4000	
"	14	Mdse. Co. F.	7	4750		"	17	H. D. Van Syckel	8	6515	62
"	15	Hanna, Beaser & Co.	8	2600	05	"	23	East River Bank	8	10000	
"	17	Mdse. Co. F.	8	2000		"	27	Bills Payable	9	3900	
"	17	Bills Receivable	8	7000		"	30	Acker, Merrall & Co.	9	1000	
"	27	Chas. Stetson	9	4500		"	31	Balance	10	4575	09
				38546	21					38546	21

East River Bank.

Dr. *Cr.*

1872						1872					
April	1	To H. D. Stratton	1	10000		April	25	By H. B. Bryant	4	200	
						"	25	Niles & Kinne	4	968	75
						"	30	*Balance, down*		*8831*	*25*
				10000						10000	00
May	1	To Balance, bro't down		8831	25	May	1	By Mdse. Co. D.	5	50	
"	1	Cash	5	8500		"	5	Expense	6	150	
"	10	"	7	4000		"	6	Mdse. Co. E.	6	500	
"	23	"	8	10000		"	7	Mdse. Co. F.	7	500	
						"	12	Sundries	7	4657	50
						"	13	Bills Payable	7	4136	25
						"	31	Balance	10	21337	50
				31331	25					31331	25

3

Interest.

Dr. | *Cr.*

1872						1872					
April	20	To Bills Receivable -	4	4	27	April	3	By Store and Fixtures	1	84	
"	3	*Loss and Gain - -*	14	*79*	*73*					84	
				84							
May	8	To Mdse. Co. E. - - -	7	123	47	May	31	By Balance - - - -	10	146	82
"	12	East River Bank -	7	157	50	"	"	Loss and Gain - -	10	213	15
"	5	Hanna, B. & Co. - -	8	44	95						
"	31	H B. Bryant - - -	9	15	68						
"	"	Balance - - - -	10	18	37						
				359	97					359	97

Expense.

Dr. | *Cr.*

1872						1872					
April	3	To Cash - - - - - -	1	75		April	30	*By Loss and Gain - -*	14	*284*	
"	18	" - - - - - -	3	50							
"	29	" - - - - - -	4	159							
				284						284	
May	5	To East River Bank -	9	150		May	31	By Loss and Gain - -	10	150	

Niles & Kinne.

Dr. | *Cr.*

1872						1872					
April	6	To Sundries - - - -	2	2915		April	4	By Mdse. Co. B. - - -	1	4000	
"	20	Loss and Gain - -	4	300		"	8	" " - - -	3	183	75
"	25	East River Bank -	4	968	75						
				4183	75					4183	75

Merchandise.

Dr. | *Cr.*

1872						1872					
April	3	To Sundries - - - -	1	3900		April	9	By Sundries - - - -	2	1800	
"	16	" - - - -	3	1800		"	15	Cash - - - - -	3	900	
"	30	*Loss and Gain - -*	14	*750*		"	22	Sundries - - - -	4	1950	
						"	30	*Balance, down - -*		*1800*	
				6450						6450	
May	1	To Balance, bro't down		1800		May	2	By Sundries - - - -	5	1800	

Loss and Gain.

Dr. *Cr.*

1872						1872					
April	30	To S. G. Payn	5	115		April	6	By Mdse. Co. A.	2	336	25
"	"	Expense	L3	284		"	8	Mdse. Co. B.	2	183	75
"	"	*H. B Bryant*	L1	*1940*	*36*	"	13	Mdse. Co. C.	3	340	
"	"	*H. D. Stratton*	L2	*1940*	*37*	"	20	Niles & Kinne	4	300	
						"	30	Store and Fixtures	L1	1500	
						"	"	Interest	L3	79	73
						"	"	Mdse.	L3	750	
						"	"	Storage and Adver.	L5	60	
						"	"	Commission	L5	480	
						"	"	Stmr. Empire Stock	L6	250	
				4279	73					4279	73
May	17	To Mdse. Co. F.	8	484	37	May	3	By Mdse. Co. D.	6	61	
"	31	Interest	10	213	15	"	8	Mdse. Co. E.	7	254	17
"	"	Expense	10	150		"	15	Hanna, Beaser & Co.	8	275	
"	"	Shipment in Co. 1	11	109		"	31	Store and Fixtures	10	2500	
"	"	Insurance	12	37	50	"	"	Commission	11	434	25
"	"	Sundries	12	2680	40	"	"	Charges	12	150	
				3674	42					3674	42

Hope & Co.

Dr. *Cr.*

1872					1872				
May	13	To Bills Payable	7	3900	April	3	By Mdse.	1	3900

Mdse. Co. A.

Dr. *Cr.*

1872					1872				
April	4	To Sundries	2	3900	April	5	By Cash	1	1400
"	6	"	2	800	"	6	Bills Receivable	2	3300
				4700					4700

Logan, Wilson & Co.

Dr. *Cr.*

1872						1859					
April	9	To Bills Payable	2	4136	25	April	4	By Mdse. Co. A.	1	3800	
						"	6	" " "	2	336	25
				4136	25					4136	25

5

Mdse. Co. B.

Dr.							Cr.						
1872							1872						
April	4	To Niles & Kinne	1	4000			April	8	By Chas. Stetson	2	4500		
"	8	Sundries	2	500									
				4500							4500		

Bills Receivable.

Dr.							Cr.						
1872							1872						
April	6	To Mdse. Co. A.	2	3300			April	20	By Sundries	4	1000		
"	9	Mdse.	2	1000			"	30	*Balance, down*		*10300*		
"	13	Mdse. Co. C.	3	7000									
				11300							11300		
May	1	To Balance, bro't down		10300			May	9	By Cash	7	3300		
"	8	Mdse. Co. E.	7	5000			"	22	"	8	7000		
							"	31	Balance	11	5000		
				15300							15300		

Storage and Advertising.

Dr.							Cr.						
1872							1872						
April	30	*To Loss and Gain*	14	*60*			April	6	By Mdse. Co. A.	2	10		
							"	8	Mdse. Co. B.	2	20		
							"	13	Mdse. Co. C.	3	30		
				60							60		

Commission.

Dr.							Cr.						
1872							1872						
April	30	*To Loss and Gain*	14	*480*			April	6	By Mdse. Co. A.	2	117	50	
							"	8	Mdse. Co. B.	2	112	50	
							"	14	Mdse. Co. C.	3	250		
				480							480		
May	31	To Loss and Gain	11	434	25		May	3	By Mdse. Co. D.	6	78		
							"	8	Mdse. Co. E.	7	187	50	
							"	17	Mdse. Co. F.	8	168	75	
				434	25						434	25	

Bills Payable.

Dr.							Cr.						
1872							1872						
April	30	*To Balance, down*		*12036*	*25*		April	6	By Niles & Kinne	2	2900		
							"	9	Logan, Wilson & Co.	3	4136	25	
							"	12	Stmr. Empire Stock	3	5000		
				12036	25						12036	25	
May	13	To East River Bank	11	4136	25		May	1	By Balance, bro't down		12036	25	
"	27	Cash	14	3900			"	13	Hope & Co.	7	3900		
"	31	Balance	11	10781			"	26	Wm. K. Sadler	9	2881		
				18817	25						18817	25	

Charles Stetson.

Dr.						Cr.					
1872 April	8	To Mdse. Co. B.	2	4500		1872 May	28	By Cash	9	4500	

Mdse. Co. C.

Dr.						Cr.					
1872 April	10	To Sundries	3	8700		1872 April	13	By Sundries	3	10000	
"	13	"	3	1300							
				10000						10000	

Pliny Moore.

Dr.						Cr.					
1872 April	22	To Sundries	4	666	66	1872 April	10	By Mdse. Co. C.	3	5666	67
	30	*Balance, down*		*5340*	*01*	"	14	" " "	3	340	
				6006	67					6006	67
May	31	To Balance	11	5340	01	May	1	By Balance, bro't down		5340	01

S. G. Payn.

Dr.						Cr.					
1872 April	22	To Sundries		1333	34	1872 April	10	By Mdse. Co. C.	3	2833	33
	30	*Balance, down*		*1954*	*99*	"	14	" " "	3	340	
						"	30	Loss and Gain	5	115	
				3288	33					3288	33
May	31	To Balance	11	1954	99	May	1	By Balance, bro't down		1954	99

Steamer Empire Stock.

Dr.						Cr.					
1872 April	12	To Sundries	3	10000		1872 April	28	By Steamer Empire	5	250	
	30	*Loss and Gain*	4	*250*			30	*Balance, down*		*10000*	
				10250						10250	
May	31	To Balance, bro't down		10000		May	31	By Balance	11	10000	

Acker, Merrall & Co.

Dr.						Cr.					
1872 May	30	To Cash	9	1000		1872 April	16	By Mdse.	3	1000	

H. D. Stratton—Private.

Dr.						Cr.					
1872 April	18	To Cash	3	150		1872 May	31	By H. D. S., Stock	9	150	

7

H. B. Bryant—PRIVATE.

Dr.						Cr.					
1872 April	25	To East River Bank	4	200		1872 May	31	By H. B. B., Capital %	9	200	

Steamer Empire.

Dr.						Cr.					
1872 April	28	To Stmr. Empire Stock	4	250		1872 May	31	By Balance	11	250	

Mdse. Co. D.

Dr.						Cr.					
1872 May	1	To Sundries	5	1460		1872 May	3	By Cash	5	750	
"	4	"	6	1660		"	4	Hanna, B. & Co.	6	2370	
				3120						3120	

Wm. K. Sadler.

Dr.						Cr.					
1872 May	26	To Bills Payable	9	2881		1872 May	1	By Mdse. Co. D.	5	1410	
						"	4	" " "	6	1471	
				2881						2881	

R. W. Hoadley.

Dr.						Cr.					
1872 May	2	To Sundries	5	909		1872 May	31	By Balance	11	1709	
"	25	Shipment in Co. 1	9	800							
				1709						1709	

Shipment in Co. 1.

Dr.						Cr.					
1872 May	2	To Sundries	5	909		1872 May	25	By R. W. Hoadley	9	800	
"						"	31	Loss and Gain	11	109	
				909						909	

Insurance.

Dr.						Cr.					
1872 May	3	To Cash	5	37	50	1872 May	31	By Loss and Gain	12	37	50

Hanna, Beaser & Co.

Dr.						Cr.					
1872 May	4	To Mdse. Co. D.	6	2370		1872 May	15	By Sundries	8	2645	
"	15	Loss and Gain	8	275							
				2645						2645	

Charges.

Dr.							Cr.					
1872 May	31	To Loss and Gain	12	150		1872 May	4	By Mdse. Co. D.	6	50	
						"	8	Mdse. Co. E.	7	50	
						"	18	Mdse. Co. F.	8	50	
				150						150	

Mdse. Co. E.

Dr.							Cr.					
1872 May	6	To Sundries	6	2500		1872 May	8	By Sundries	7	7500	
"	8	"	7	5000							
				7500						7500	

F. A. Boyle & Co.

Dr.							Cr.					
1872 May	31	To Balance	12	4254	16	1872 May	6	By Mdse. Co. E.	6	2000	
						"	8	" " "	7	2254	16
				4254	16					4254	16

Mdse. Co. F.

Dr.							Cr.					
1872 May	7	To Sundries	7	4000		1872 May	14	By Cash	7	4750	
"	18	"	8	2750		"	18	"	8	2000	
				6750						6750	

H. D. Van Syckel.

Dr.							Cr.					
1872 May	17	To Cash	8	6515	62	1872 May	7	By Mdse. Co. F.	7	3500	
						"	18	" " "	8	3015	62
				6515	62					6515	62

Campbell & Strong.

Dr.							Cr.					
1872 May	31	To Balance	12	2254	17	1872 May	8	By Mdse. Co. E.	7	2254	17

Balance.

Dr.							Cr.					
1872 May	31	To Store and Fixtures	10	15000		1872 May	31	By Mortgage Payable	10	4500	
"	"	Cash	10	4575	09	"	"	Interest Payable	10	18	37
"	"	East River Bank	10	21337	50	"	"	Bills Payable	11	10781	
"	"	Interest Receivable	10	146	82	"	"	Pliny Moore	11	5340	01
"	"	Bills Receivable	11	5000		"	"	S. G. Payn	11	1954	99
"	"	Stmr. Empire Stock	11	10000		"	"	F. A. Boyle & Co.	12	4254	16
"	"	Stmr. Empire	11	250		"	"	Campbell & Strong	12	2254	17
"	"	R. W. Hoadley	11	1709		"	"	H. B. Bryant	12	15785	14
						"	"	H. D. Stratton	12	13130	57
				58018	41					58018	41

Trial Balance—April.

Dr. Balances.		Dr. Footings.			Cr. Footings.		Cr. Balances.	
				H. B. Bryant (Capital)	12688	90	12688	90
				H. D. Stratton (Capital)	10000		10000	
11000		12500		Store and Fixtures	1500			
				Mortgage Payable	9000		9000	
11269	63	21284	63	Cash	10015			
8831	25	10000		East River Bank	1168	75		
		4	27	Interest	84		79	73
284		284		Expense				
1050		5700		Merchandise	4650			
		115		Loss and Gain	1160		1045	
				Hope & Co.	3900		3900	
10300		11300		Bills Receivable	1000			
				Storage and Advertising	60		60	
				Commission	480		480	
				Bills Payable	12036	25	12036	25
4500		4500		Charles Stetson				
		666	66	Pliny Moore	6006	67	5340	01
		1333	34	S. G. Payn	3288	33	1954	99
9750		10000		Steamer Empire Stock	250			
				Acker, Merrall & Co.	1000		1000	
150		150		H. D. Stratton (private)				
200		200		H. B. Bryant (private)				
250		250		Steamer Empire				
57584	88	78287	90		78287	90	57584	88

INVENTORY.

Property Unsold April 30.

Store and Fixtures, valued at cost	12500
Mdse. on hand	1800
Steamer Empire Stock, at cost	10000

SET IV.—TRIAL BALANCE.

Dr. Trial Balance—May. *Cr.*

Balances.		Footings.			Footings.		Balances.	
		200		H. B. Bryant	14644	94	14444	94
		150		H. D. Stratton	11940	37	11790	37
12500		12500		Store and Fixtures				
		4500		Mortgage Payable	9000		4500	
4575	09	38546	21	Cash	33971	12		
21337	50	31331	25	East River Bank	9993	75		
341	60	341	60	Interest				
150		150		Expense				
		484	37	Loss and Gain	590	17	105	80
5000		15300		Bills Receivable	10300			
				Commission	434	25	434	25
		8036	25	Bills Payable	18817	25	10781	
				Pliny Moore	5340	01	5340	01
250		250		Steamer Empire				
1709		1709		R. W. Hoadley				
109		909		Shipment in Co. 1	800			
37	50	37	50	Insurance				
				Charges	150		150	
				F. A. Boyle & Co.	4254	16	4254	16
				Campbell & Strong	2254	17	2254	17
				S. G. Payn	1954	99	1954	99
10000		10000		Steamer Empire Stock				
56009	69	124445	18		124445	18	56009	69

INVENTORY.

Resources and Liabilities not shown in Ledger Accounts.

Store and Fixtures, valued at		15000	
Steamer Empire Stock		10000	
Interest due us on Notes	$146.82	128	45
Less, interest due from us	18.37		

BALANCE SHEETS.

THE purpose of a Balance Sheet is to present in a tabulated and convenient form the condition of the business. The main facts for such a statement are gathered from the Ledger accounts, which, in fact, form its basis. There are various forms of Balance Sheets, or statements, used in business, the arrangement and extent of detail being dependent upon the kind of information desired to be conveyed. The form exhibited on the two pages which follow has the merit of condensation, while, at the same time, the main facts of the progress and condition of the business are distinctly presented. The only objection to this form as a complete exhibit is that where there are many personal accounts it is not feasible to present them individually. This objection may be met by condensing the debtor accounts into one item under the title of "Accounts Receivable," and the creditor accounts into another under the title of "Accounts Payable"; and if a more minute schedule is desired it can be prepared on a separate sheet.

The following brief instructions will enable the student to prepare the blank form for this kind of Balance Sheet:

Get a sheet of paper of the proper size, and for a border rule double red lines around the margin.*

First, rule the parallel head-lines, leaving proper space for the double captions, as in the example. Next, ascertain the number of Ledger accounts to be represented. This will, of course, embrace all the accounts in the Trial Balance that do not cancel. If the business is that of a single proprietor, usually called "Stock business," rule, in pencil, as many lines as will contain all the accounts, and *five* additional. If it be a partnership business, with two or more partners, rule three additional lines for each partner. Thus: for "Stock" business *five* lines more than all the accounts; for two partners *eight* lines more than all the accounts; for three partners, *eleven* lines more, and so on.

Next, lay off proper spaces for debit and credit money columns; first, for the footings of Ledger accounts, second, for Gains and Losses, third, for Stock—or if partners, for each partner—and fourth, for Resources and Liabilities; also, for a *single* money column for Inventories, and for the Ledger titles and their Ledger folios. The position of these columns you will see in the example given. These spaces can best be appropriated by using a pair of dividers, and giving each of the captions its just proportion.

After denoting the proper space for each heading—which can best be done with pencil—commence to rule in red ink at the right hand, and bring all the lines of the first two captions—Real Accounts and Stock, or one of the partners—down to the lower pencil line. For the other partner drop two lines. For Losses and Gains drop two lines for Stock business, and an additional line for each partner.

Next, rule the foot-lines as shown, and the schedule will be ready to receive the accounts.

The process of showing results is precisely similar in its order, and the results the same as in "closing the Ledger," and will need no explanation aside from the example given.

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* The border may be made either plain or ornamental, as best suits the taste of the accountant; but we would recommend in this, as well as all *business* statements, the utmost neatness, and the avoidance of that kind of affectation or display vulgarly known as "gingerbread work."

H. B. BRYANT'S BALANCE SHEET—SET I.*

Taken New York, January 31, 1872.	Ledger folio.	Trial Balance. Dr.		Trial Balance. Cr.		Inventory.		Business. Loss.		Business. Gain.		Stock. Dr.		Stock. Cr.		Financial. Resources.		Financial. Liabilities.	
Stock		500	--	5000	--									4500	--				
Cash		6513	75	2084	--											4429	75		
Merchandise		2731	--	1706	25	1333	50			308	75					1333	50		
H. D. Stratton		40	--	20	--											20	--		
Bills Payable		500	--	1735	--													1235	
Bills Receivable		57	50													57	50		
Expense		184	--					184	--										
E. G. Folsom		115	--													115	--		
J. D. Comstock				96	--													96	
		10641	25	10641	25														
To Stock—net gain								124	75					124	75				
								308	75	308	75								
To Balance—net capital												4624	75					4624	75
												4624	75	4624	75	5955	75	5955	75

* The Trial Balance from which this Statement is made will be found on page 21.

BRYANT & STRATTON'S BALANCE SHEET—SET IV.

Taken New York, May 31, 1872.

	Ledger folio.	Trial Balance. Dr.	Trial Balance. Cr.	Inventory.	Business. Losses.	Business. Gains.	H. B. Bryant. Dr.	H. B. Bryant. Cr.	H. D. Stratton. Dr.	H. D. Stratton. Cr.	Financial. Resources.	Financial. Liabilities.
H. B. Bryant	1	200 --	14644 94	- - - --	- - - --	- - - --	- - - --	14444 94				
H. D. Stratton	1	150 --	11940 37	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	11790 37		
Store and Fixtures	1	12500 --	- - - --	15000 --	- - - --	2500 --	- - - --	- - - --	- - - --	- - - --	15000	
Mortgage Payable	1	4500 --	9000 --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	4500
Cash	2	38546 21	33971 12	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	4575 09	
East River Bank	2	31331 25	9993 75	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	21337 50	
Interest	3	341 60	- - - --	128 45	213 15	- - - --	- - - --	- - - --	- - - --	- - - --	128 45	
Expense	3	150 --	- - - --	- - - --	150							
Loss and Gain	4	484 37	590 17	- - - --	- - - --	105 80						
Bills Receivable	5	15300 --	10300 --	- - - --	- - - --	- - - --	- - - -	- - - --	- - - --	- - - --	5000	
Commission	5	- - - --	434 25	- - - --	- - - --	434 25						
Bills Payable	5	8036 25	18817 25	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - -	- - - --	10781
Pliny Moore	6	- - - --	5340 01	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	5340 01
Steamer Empire	7	250 --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	250	
R. W. Hoadley	7	1709 --	- - - --	- - - --	- - - --	- - - -	- - - --	- - - --	- - - --	- - - --	1709	
Shipt. in Co. 1	7	909 --	800 --	- - - --	109							
Insurance	7	37 50	- - - --	- - - --	37 50							
Charges	8	- - - --	150 --	- - - --	- - - --	150						
F. A. Boyle & Co.	8	- - - --	4254 16	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	4254 16
Campbell & Strong	8	- - - --	2254 17	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	2254 17
S. G. Payn	8	- - - --	1954 99	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	1954 99
Steamer Empire Stock	8	10000 --	- - - --	10000 --	- - - --	- - - --	- - - --	- - - --	- - - --	- - - --	10000	
		124445 18	124445 18									
H. B. Bryant's net gain					1340 20	- - - --	- - - --	1340 20				
H. D. Stratton's net gain					1340 20	- - - --	- - - --	- - - --	- - - --	1340 20		
					3190 05	3190 05						
H. B. Bryant's present Interest							15785 14	- - - --	- - - --	- - - --	- - - --	15785 14
							15785 14	15785 14				
H. D. Stratton's present Interest									13130 57	- - - --	- - - --	13130 57
									13130 57	13130 57	58000 04	58000 04

AUXILIARY BOOKS.

The auxiliary books and forms proper for Set IV are given on the following pages. The necessity of auxiliaries need not be commented upon, but the extent to which they are used depends upon the character of the business, the kind and amount of information required, and, to some extent, upon the taste and ingenuity of the bookkeeper. The principal objection to a multiplicity of auxiliaries is the labor required, but as this is balanced, or should be, by the additional information given, no such objection should prevail. In fact, special books of entry are so utilized in large houses as to stand as principal books, thus condensing and classifying the record from the start. All cash transactions are entered at once in the Cash-Book and posted from thence, and the purchase and sale of goods are so recorded in special books as to render a Day-Book and Journal entry unnecessary. This plan is shown further on. We have given one form of Commission Sales-Book in Set III, and another form here. Both are in use, and both good. The illustration of the method of keeping a bank account in the Check-Book will be readily appreciated.

The forms of letters and various kinds of business paper, will serve, as in some sense, models, but are not intended to be followed utterly. It would be well, in fact, for the student to write letters for himself, using his own language, rather than to copy those given. The letters submitted are among the simplest required in business, and do not call for much skill of thought or expression. They are, however, explicit and circumstantial, and meet the requirements of the occasion. A business letter has a few requisites which, if the student will keep in mind, he will be excused from any mere literary display.

1. It should be correct in form and mechanical structure; that is, the date, the salutation, the body of the letter, the complimentary ending, and the signature, should be each in its proper place, and in proper form; and the writing itself should, of course, be neat, legible, and business-like.

2. It should be pointed and exact in expression, and as brief as the circumstances will admit; although brevity should never be secured at the expense of completeness. Every business letter should have a definite purpose, and that purpose should be plainly set forth, at whatever required length. The great majority of business letters, as also of business forms, are so similar in purpose that, to save time and possible errors, blank printed forms are used, requiring only the filling in of dates, amounts, and special conditions. No student should rely upon this, however, but should be required to write out in full all the forms called for in the business.

One of the most important auxiliaries given in this connection is the Bank Check-Book with its attendant vouchers, the character and working of which can be understood at a glance. The *Check-Book* is a book of blank checks, with a margin for memoranda and appropriate rulings for the entry of amounts deposited and drawn out; the difference, which can at any time be ascertained, being the balance in bank. The *Pass-Book* is a memorandum of deposits in which the bank-teller enters the dates and amounts deposited, and when required, writes in the checks which have been paid, showing the net amount on deposit. The *Deposit-Slips* accompany the deposits, and contain a list of the funds which make up the amount. The teller compares these items, and enters the amount, with his signature, in the Pass-Book.

1

Mdse. Co. A.

1872					
April	3	To Logan, Wilson & Co.	Received from L. W. & Co., Pittsburgh, to be sold on our joint % and risk, each ½,		
			800 kegs Nails, @ $3 - - - - $2400		
			20,000 lbs. Lead, @ 7¢, - - - - - 1400	3800	
"	"	Cash	Paid freight - - - - - - - - - - - -	100	
"	6	Storage and Adver.	Our charges - - - - - - - - - - - -	10	
"	"	Commission	2½% on $4700 - - - - - - - - - - -	117	50
"	"	Logan, Wilson & Co.	Their ½ net gain - - - - - - - - - -	336	25
"	"	Loss and Gain	Our " " " - - - - - - - - - - -	336	25
				4700	
			Account Sales rendered April 6.		
			L. W. & Co.'s net proceeds, $4136.25. Due Apr. 30.		

Mdse. Co. B.

1872					
April	4	To Niles & Kinne	Received from N. & K., Buffalo, to be sold on our joint % and risk, each ½,		
			500 bbls. Flour, @ $8 - - - - - - -	4000	
"	8	Storage and Adver.	Our charges - - - - - - - - - - - -	20	
"	"	Commission	2½% on $4500 - - - - - - - - - - -	112	50
"	"	Niles & Kinne	Their ½ net gain - - - - - - - - - -	183	75
"	"	Loss and Gain	Our " " " - - - - - - - - - - -	183	75
				4500	
			Account Sales rendered April 8.		
			N. & K.'s net proceeds, $4183.75. Due May 9.		

Mdse. Co. C.

1872					
April	10	To Pliny Moore	Received per Merchants' Line, from Pliny Moore, Troy, to be sold on joint % of himself, S. G. Payn, Albany, and ourselves, each ⅓,		
			1000 bbls. Flour, @ $8.50 - - $8500		
			P. Moore and our ⅔ invoice furnished by him	5666	67
"	"	S. G. Payn	His ⅓ invoice as above - - - - - - - -	2833	33
"	13	Cash	Paid Freight - - - - - - - - - - - -	200	
"	"	Storage and Adver.	Our charges - - - - - - - - - - - -	30	
"	"	Commission	2½% on $10000 - - - - - - - - - - -	250	
"	"	Pliny Moore	His ⅓ net gain - - - - - - - - - - -	340	
"	"	S. G. Payn	His " " " - - - - - - - - - - -	340	
"	"	Loss and Gain	Our " " " - - - - - - - - - - -	340	
				10000	
			Account Sales rendered April 13.		
			P. Moore's net proceeds - - - - $6006.67		
			S. G. Payn's " " - - - - 3173.33		
			Due May 14.		

Sales.

1872				
April	5	By Cash	Sold Wm. H. Woodbury, 400 kegs Nails, @ $3.50 - - - - - - -	1400
"	6	Bills Receivable	Sold Robert Haywood, on his note @ 30 days, 20,000 lbs. Lead, @ 9¢ - - - - - $1800	
			400 kegs Nails, @ $3.75 - - - 1500	3300
				4700

Sales.

1872				
April	8	By Charles Stetson	Sold him, @ 30 days, on %, 500 bbls. Flour, @ $9 - - - - - - - -	4500
				4500

Sales.

1872				
April	13	By Bills Receivable	Sold Warren P. Spencer, 1000 bbls. Flour, @ $10.00 - - $10,000	
			Received his note, at 40 days, for - - - - -	7000
"	"	Cash	Balance in cash - - - - - - - - - - - -	3000
				10000

3

Mdse. Co. D.

1872					
May	1	To Wm. K. Sadler	Received from W. K. S., Philadelphia, to be sold on our joint %, each ½,		
			100 bbls. Cider Vinegar, @ $7 - - $700		
			50 " Linseed Oil, @ 40 - - 2000		
			40 h'f kegs White Lead, @ 3 - - 120		
			Our ½ invoice - - - - - - - $2820	1410	
"	"	East River Bank	Paid freight, per check - - - - - - - - -	50	
"	3	Charges	Storage, advertising, and insurance - - - -	50	
"	"	Commission	2½% on $3120 - - - - - - - - - - -	78	
"	"	Wm. K. Sadler	His ½ invoice, $1410, and net gain, $61 - -	1471	
"	"	Loss and Gain	Our ½ net gain - - - - - - - - - - - -	61	
				3120	
			Account Sales rendered May 3.		
			W. K. S.'s net proceeds, $1471.		
			Due by equation, June 20.		

Mdse. Co. E.

1872					
May	6	To F. A. Boyle & Co.	Received of F. A. B. & Co., New Orleans, to be sold on joint % of themselves, Campbell & Strong, and ourselves, each ⅓,		
			100 hhds. Sugar, @ $60 - - - $6000		
			Our ⅓ above invoice - - - - - - - - -	2000	
"	"	East River Bank	Paid freight per check - - - - - - - - -	500	
"	8	Charges	Storage, advertising, etc. - - - - - - - -	50	
"	"	Commission	2½% on $7500 - - - - - - - - - - -	187	50
"	"	F. A. Boyle & Co.	Their ⅓ invoice $2000, and net gain $254.16 -	2254	16
"	"	Campbell & Strong	Their ⅓ invoice $2000, and net gain $254.17 -	2254	17
"	"	Loss and Gain	Our ⅓ net gain - - - - - - - - - - -	254	17
				7500	
			Account Sales rendered May 8.		
			F. A. Boyle & Co.'s net proceeds, $2254.16.		
			Campbell & Strong's " " 2254.17.		
			Due by equation, May 8.		

Mdse. Co. F.

1872					
May	10	To H. D. Van Syckel	Received from H. D. V. S., St. Louis, to be sold on our joint %, each ½,		
			500 bbls. Pork, @ $9 - - - - $4500		
			250 " Lard, 50,000 lbs., @ 5¢ - 2500		
			Our ½ invoice - - - - - - - $7000	3500	
"	"	East River Bank	Paid freight per check - - - - - - - - -	500	
"	14	Charges	Storage, cooperage, etc. - - - - - - - -	50	
"	"	Commission	2½% on $6750 - - - - - - - - - - -	168	75
"	"	H. D. Van Syckel	His ½ invoice $3500, less his net loss $484.38	3015	62
				7234	37
			Account Sales rendered May 14.		
			H. D. Van Syckel's net proceeds, $3015.62.		
			Due by equation, May 15.		

Sales.

1872					
May	3	By Cash	Sold J. R. Bigelow,		
			100 bbls. Cider Vinegar, @ $7.50 - - -		750
"	"	Hanna, Beaser & Co.	Shipped them to Detroit, per their order,		
			50 bbls. Linseed Oil, @ $45 - - $2250		
			40 h'f kegs White Lead, @ 3 - - 120		2370
			Payable at 60 days.		
					3120

Sales.

1872					
May	8	By Bills Receivable	Sold Wm. A. Holley, Fort Edward,		
			100 hhds. Sugar, @ $75 - - - $7500		
			Received in payment a note against		
			Erastus Corning for - - - - - - -		5000
"	"	Interest	Interest due on same to date - - - - - - -		123 47
"	"	Cash	For balance - - - - - - - - - - - - -		2376 53
					7500

Sales.

1872					
May	14	By Cash	Sold E. A. Charlton,		
			500 bbls. Pork, @ $9.50 - - - - - -		4750
"	17	Cash	Sold Theron W. Woolson,		
			250 bbls. Lard, 50,000 lbs., @ 4¢ - - - -		2000
"	"	Loss and Gain	Our net loss - - - - - - - - - - - - -		484 37
					7234 37

SET IV.—ACCOUNTS SALES.

Sales of 1000 bbls. Flour, on joint % of Pliny Moore, Troy, S. G. Payn, Albany, and ourselves, each ⅓.

1872 April	13	Sold Warren P. Spencer,			
		1000 bbls. Flour, @ $10		10000	
		Cash, $3000—Note at 40 days, $7000.			
		Charges.			
"	10	Paid Freight, in cash	$200		
"	13	Storage and Advertising	30		
		Commission 2½% on $10000	250		
		S. G. Payn's net proceeds	3173.33		
		Our ⅓ net gain	340	3993	33
		P. Moore's net proceeds*		6006	67
		Invoice 1000 bbls. Flour, @ $8.50, $8500.			
		Your and our ⅔ of above	5666.67		
		" ⅓ net gain	340		
		Net proceeds as above	$6006.67		
		Due by Equation, May 14.			
		E. E.			
		BRYANT & STRATTON,			
		NEW YORK, April 13, 1872. *per Packard.*			

Sales of { 100 bbls. Cider Vinegar, / 50 " Linseed Oil, / 40 h'f kegs White Lead. } on joint % of W. K. Sadler and ourselves, each ½.

1872 May	3	Sold J. R. Bigelow, for cash,			
		100 bbls. Cider Vinegar, @ $7.50		750	
"	3	Assumed and shipped on our own %, at 60 days,			
		50 bbls. Linseed Oil, @ $45	$2250		
		40 h'f kegs White Lead, @ $3	120	2370	
				3120	
		Charges.			
"	1	Freight per check	50		
"	3	Storage, Advertising, and Insurance	50		
		Commission 2½% on $3120	78		
		Our ½ net gain	61	239	
		W. K. Sadler's net proceeds		2881	
		Invoice 100 bbls. Cider Vinegar, @ $7	700		
		50 " Linseed Oil, @ 40	2000		
		40 h'f kegs White Lead, @ 3	120		
			2820		
		Net gain	61		
		Net proceeds as above	$2881		
		E. E. Due by Equation, June 20.			
		BRYANT & STRATTON,			
		NEW YORK, May 3, 1872. *per Packard.*			

* A corresponding statement is sent to S. G. Payn.

SET IV.—ACCOUNTS SALES.

Sales of 100 hhds. Sugar on joint % of F. A. Boyle & Co., N. O., Campbell & Strong, and ourselves, each ⅓.

1872					
May	8	Sold Wm. A. Holley, Fort Edward,			
		100 hhds. Sugar, @ $75		7500	
		Charges.			
"	6	Paid Freight	$500		
"	8	Storage, Advertising, etc.	50		
		Commission 2½% on $7500	187.50		
		Campbell & Strong's net proceeds	2254.17		
		Our ⅓ net gain	254.17	3245	84
		F. A. Boyle & Co.'s net proceeds*		4254	16
		Invoice 100 hhds. Sugar, @ $60, $6000.			
		Your and our ⅔ Invoice	4000		
		Your ⅓ net gain	254.16		
		Net proceeds as above	$4254.16		
		Due by Equation, May 8.			
		E. E.			
		BRYANT & STRATTON.			
		NEW YORK, May 8, 1872.			

Sales of {500 bbls. Pork, 250 " Lard,} on joint % of H. D. Van Syckel, St. Louis, and ourselves, each ½.

1872					
May	14	Sold for cash,			
"		500 bbls. Pork, @ $9.50		4750	
"	17	Sold for cash,			
		250 bbls. Lard, 50,000 lbs., @ 4¢		2000	
				6750	
		Charges.			
"	6	Paid Freight	$500		
"	17	Storage and Cooperage	50		
		Commission 2½% on $6750	168.75	718.75	
		Less our ½ net loss	484.37	234	38
		H. D. Van Syckel's net proceeds		6515	62
		Invoice 500 bbls. Pork, @ $9	4500		
		250 " Lard	2500		
			7000		
		Less your ½ net loss	484.38		
		Net proceeds as above	$6515.62		
		Due by Equation, May 16.			
		E. E.			
		BRYANT & STRATTON.			
		NEW YORK, May 17, 1872			

* A corresponding statement is sent to Campbell & Strong.

PASS-BOOK.

Dr. EAST RIVER BANK IN				% WITH BRYANT & STRATTON.			*Cr.*
1872				1872			
Apr. 1	Cash, W.	10000				200	
May 1	" W.	8500				968	75
					Vouchers.	50	
						150	
						500	
						16631	*25*
		18500				18500	
	Balance - -	16631	25				

DEPOSIT SLIP.

Deposited in East River Bank.

By Bryant & Stratton,

NEW YORK, *Apr. 1, 1872.*

Bank Bills - - - - - - - - - - - -	6000	
Specie - - - - - - - - - - - - -	2500	
Checks - - - - - - - - - - - - -	950	
	550	
	10000	

Date.		*Deposits.*	*Checks.*	
1872				
Apr.	1	10000		
May	1	8500		
		18500		
			200	
			968	75
			50	
			150	
			500	
			1868	75

No. 1. *H. B. Bryant* *on private %* *April 25, 1872.*	200	
No. 2. *R. Courter,* *Niles & Kinne's* *Draft* *April 25.*	968	75
No. 3. *W. R. Jones,* *Freight* *May 1.*	50	
No. 4. *New York Herald,* *for Advertising,* *May 5.*	150	
No. 5. *Western T. Co.,* *Freight* *May 6.*	500	
16681.25		

No. 1. *New York, April 25, 1872.*

East River Bank,

Pay to H. B. Bryant, or Bearer,

Two Hundred _____ $\frac{00}{100}$ *Dollars.*

$200. *Bryant & Stratton.*

No. 2. *New York, April 25, 1872.*

East River Bank,

Pay to R. Courter, or Bearer,

Nine Hundred and Sixty-eight $\frac{75}{100}$ *Dollars.*

$968 $\frac{75}{100}$. *Bryant & Stratton.*

No. 3. *New York, May 1, 1872.*

East River Bank,

Pay to W. R. Jones, or Bearer,

Fifty _____ $\frac{00}{100}$ *Dollars.*

$50. *Bryant & Stratton.*

No. 4. *New York, May 5, 1872.*

East River Bank,

Pay to New York Herald, or Bearer,

One Hundred and Fifty _____ $\frac{00}{100}$ *Dollars.*

$150. *Bryant & Stratton.*

No. 5. *New York, May 6, 1872.*

East River Bank,

Pay to Western Transportation Co. or Bearer,

Five Hundred _____ $\frac{00}{100}$ *Dollars.*

$500. *Bryant & Stratton.*

No. *New York,* _____ *18*__

East River Bank,

Pay to _____ *or Bearer,*

_____ $\frac{00}{100}$ *Dollars.*

$ _____

NOTES, DRAFTS, ETC.

RECEIVABLE.

$3300. NEW YORK, April 6, 1872.

Thirty days after date, for value received, I promise to pay Bryant & Stratton, or order, Thirty-three Hundred Dollars, at the East River Bank.

ROBERT HAYWOOD.

$1000. NEW YORK, April 9, 1872.

Thirty days after date, I promise to pay to the order of Bryant & Stratton, at my office, No. 195 Water street, One Thousand Dollars, value received.

AUSTIN PACKARD.

$7000. BUFFALO, April 13, 1872.

Forty days from date, I promise to pay Bryant & Stratton, or order, at the International Bank of Buffalo, Seven Thousand Dollars, value received.

WARREN P. SPENCER.

$5000. ALBANY, January 1, 1872.

One day after date, I promise to pay to William A. Holley, at the Bank of the Capitol, Five Thousand Dollars, value received.

ERASTUS CORNING.

PAYABLE.

$2900. NEW YORK, April 6, 1872.

For value received, ninety days from date, we promise to pay to the order of Acker, Merrall & Co., Twenty-nine Hundred Dollars, at the East River Bank.

BRYANT & STRATTON.

$5000. NEW YORK, April 12, 1872.

Ninety days from date, we promise to pay Daniel Drew, or order, Five Thousand Dollars, value received.

BRYANT & STRATTON.

4136\frac{25}{100}$. PITTSBURG, April 7, 1872.

At thirty days sight, pay to the order of Geo. K. Chase & Co., at their Banking House, 13 Cooper Institute, Forty-one Hundred, Thirty-six $\frac{25}{100}$ Dollars, value received, and charge to account of

LOGAN, WILSON & Co.

To Bryant & Stratton, New York.

$3900. NEW YORK, May 13, 1872.

At ten days' sight, pay to the order of George A. Crocker Thirty-nine Hundred Dollars, and charge to account of HOPE & Co.

To Bryant & Stratton, New York.

$2881. PHILADELPHIA, May 25, 1872.

At thirty days' sight, pay to the order of B. McGann, Twenty-eight Hundred, Eighty-one Dollars, at the Metropolitan Bank, value received, and charge to account of

To Bryant & Stratton, New York. WM. K. SADLER.

LETTER BOOK.

Messrs. Bryant & Stratton, PITTSBURG, April 1st, 1872.
New York:

GENTLEMEN,—As per our agreement of the 30th ult., we ship you this day (Invoice enclosed) 800 kegs Nails and 20,000 lbs. Lead, to be sold on our joint %.

We shall leave it with you to push them upon the market, or to await better prices. Your reputation and experience afford sufficient guarantee that whatever course you may see fit to pursue will be the best.

Very truly yours,
LOGAN, WILSON & Co.

Messrs. Bryant & Stratton, BUFFALO, April 2d, 1872.
New York:

GENTLEMEN,—Enclosed you will find Invoice of 500 bbls. Flour, which we ship you this day on joint %. You will, perhaps, find it best to take advantage of the present demand in your city to close out the sales at an early day. However, we leave that matter to your own good judgment.

Please keep us advised as to the indications. Yours,
NILES & KINNE.

Logan, Wilson & Co., NEW YORK, April 6th, 1872.
Pittsburg:

GENTLEMEN,—We enclose you Account Sales of the Nails and Lead shipped us on the 1st inst. Your net gain, as shown, is $336.23. We think the present a favorable time for this class of sales, and shall be happy to join you in any reasonable amount.

Let us hear from you soon. Respectfully,
BRYANT & STRATTON.

Messrs. Niles & Kinne, NEW YORK, April 7th, 1872.
Buffalo:

GENTLEMEN,—You will please find enclosed Invoice of 20 hhds. Sugar, 100 bags Coffee, and 100 boxes Raisins, to be sold, as per our agreement, on joint %.

We have an excellent chance in prospect of purchasing to advantage in this line, and shall be happy to learn from you that the demand will warrant a fair investment. We await your further advices.

Respectfully,
BRYANT & STRATTON.

Messrs. Niles & Kinne, NEW YORK, April 8th, 1872.
Buffalo:

GENTLEMEN,—Enclosed please find Account Sales of the Flour shipped us on the 2d inst. We feel satisfied with the returns, particularly as since our sales were effected, prices have materially declined. The uncertainty of European affairs renders the provision market extremely unstable, and all prognostications, at this time, unreliable. We have no doubt, however, that the ultimate tendency will be favorable to investments, and do not hesitate to advise you to secure any *good bargains* which the present seeming depression may throw in your way.

Truly yours,
BRYANT & STRATTON.

Messrs. Bryant & Stratton, TROY, April 10th, 1872.
New York:

GENTLEMEN,—I ship you to-day, as per Invoice enclosed, 1000 bbls. Flour, to be sold on joint % of yourselves, S. G. Payn, Albany, and myself, each one-third. You will please open an account with Mr. Payn, and render him an Account Sales of his one-third, as per our agreement. I have charged you for your one-third invoice. Please keep me advised.

Yours,
PLINY MOORE.

Pliny Moore, Esq., NEW YORK, April 13th, 1872.
Troy:

SIR,—We send you enclosed Account Sales of Flour shipped us on the 10th, having effected the sale in less time than we had anticipated. We trust the result will be satisfactory. You now stand credited on our Books $6006.67. We have communicated with Mr. Payn. We think the present a favorable time to invest in Flour, and shall be happy to join you in speculation, or to sell for you on commission. We await your further orders.

Respectfully,
BRYANT & STRATTON.

S. G. Payn, NEW YORK, April 13th, 1872.
Albany:

SIR,—Enclosed please find Account Sales of Flour, shipped us by Pliny Moore of Troy, as per our understanding. Your one-third net gain is $340, which gives you a total credit on our books of $3173.33.

Respectfully yours,
BRYANT & STRATTON.

Messrs. Bryant & Stratton,
New York:

BUFFALO, April 18, 1872.

GENTLEMEN,—We enclose you Account Sales of the Sugar, Coffee, and Raisins, shipped us on the 7th inst. Your net proceeds from Sales, including Invoice and Gain, is $3215, which we have entered to your credit.

We shall be happy to hear from you.

Respectfully,
NILES & KINNE.

S. G. Payn, Esq.,
Albany:

NEW YORK, April 22, 1872.

SIR,—We ship you this day, per Merchants' Line, 30 hhds. Sugar, as per enclosed Invoice, to be sold on joint % of yourself, Pliny Moore, Troy, and ourselves, each ⅓. We have advised Mr. Moore, and he will look to you for an account of the sales.

Please write to us.

Truly yours,
BRYANT & STRATTON.

Pliny Moore,
Troy:

NEW YORK, April 22, 1872.

DEAR SIR,—We enclose you Invoice of 30 hhds. Sugar, shipped this day to S. G. Payn, Albany, to be sold on joint %, as per arrangement. We have charged you with your ⅓ Invoice, and advised Mr. Payn to account to you for the sales.

Very respectfully,
BRYANT & STRATTON.

Messrs. Bryant & Stratton,
New York:

ALBANY, April 29, 1872.

GENTLEMEN,—I send you enclosed an account of the sales of Sugar shipped by you on the 22d inst. Your ⅓ loss on sales, as per statement, is $115, which reduces your net proceeds to $1218.34.

I regret the result, but have done the best I could, under the circumstances. The rapid decline in Sugar could not have been foreseen; and had I delayed the sales another day, the result would have been far less satisfactory.

Respectfully yours,
S. G. PAYN.

Messrs. Bryant & Stratton,
New York:

PHILADELPHIA, April 30, 1872.

GENTLEMEN,—I ship you this day, as per arrangement, 100 bbls. Cider Vinegar, 50 do. Linseed Oil, and 40 h'f kegs White Lead, to be sold on joint %. I have charged you ½ the enclosed Invoice, according to agreement. Please exercise your own judgment in the matter of sales.

Respectfully yours,
WM. K. SADLER.

R. W. Hoadley, Esq.,
Philadelphia:

NEW YORK, May 2, 1872.

DEAR SIR,—We enclose you Invoice of 200 bbls. Pork, shipped you this day, to be sold on our joint %. Your ½ Invoice (charged) is $909. We shall trust entirely to your judgment in effecting sales.

Truly yours,
BRYANT & STRATTON.

PRACTICAL EXERCISES.

[To be written up after the manner of Set III.]

TRANSACTIONS.—FOURTH SERIES.

The transactions which follow will enable the student to carry out the instructions of Set IV in practice. The two months represent two years, as in the preceding set; the balances to be brought down at the end of the first year, and the business of the second year to be continued under the same accounts; finally closing the accounts through the Journal. The two methods of keeping the accounts of temporary copartnerships are also illustrated.

Apr. 1.—J. H. Goldsmith and _____* have this day entered into copartnership, each investing $8000 cash. The firm assumes to pay for J. H. Goldsmith a note in favor of H. W. Ellsworth, dated Jan. 15, with interest at 6% from date; face of note, $300; interest due to date, $3.75.

2.—Paid cash for Store Fixtures, $1500; and for rent of store, six months in advance, $750.

3.—Bought of H. G. Reeve & Co., 8 bags Rio Coffee, 1280 lbs., @ 10¢; 6 chests Young Hyson Tea, 297 lbs., @ 65¢; 10 boxes Virginia Tobacco, 350 lbs., @ 40¢; for which we have accepted their draft at 60 ds., favor of Chas. Strong.

4.—Received from James Atwater, Lockport, to be sold on his and our joint %, each ½, 500 brls. Flour, @ $8; 1000 bush. Wheat, @ $1.50; paid freight on same, in cash, $400.

6.—Received from D. L. Wing, Albany, to be sold on joint % of himself, J. Walker, Schenectady, and ourselves, each ⅓, 1000 brls. "Julian Mills" Flour, @ $8.50; paid freight in cash, $100.

6.—Sold W. H. Beebe, for cash, 1000 bush. Wheat (Mdse. Co. A., Atwater's Consignment), @ $1.83.

7.—Sold J. W. Lusk, on %, at 60 ds., 2 chests Young Hyson Tea, 100 lbs., @ 75¢ ----- Sold J. C. Beale, on his note at 10 ds., 500 lbs. Flour (Mdse. Co. A.), @ $9 ----- Closed Mdse. Co. A. and rendered James Atwater our account of sales; our charges for storage, advertising and cooperage amount to $75; our commission on sales, 2½%, $_____; our ½ net gain, $_____; James Atwater's do., $_____.

8.—Shipped John R. Penn, Green Bay, Wis., to be sold on our joint %, each ½, the following invoice bought of H. G. Reeve & Co., on our note at 4 months: 30 hhds. N. O. Sugar, 32000 lbs., @ 6½¢; 40 brls. N. O. Molasses, 1442 gals., @ 40¢; drayage and insurance, paid in cash, $75.

10.—Deposited with Geo. K. Chase & Co., Bankers, cash, $10000.

12.—Sold for cash to J. & J. Wynkoop, 1000 brls. Julian Mills Flour (Mdse. Co. B.), @ $9 50 ----- Closed Mdse. Co. B. and rendered account of sales to D. L. Wing, Albany, and J. Walker, Schenectady; our charges for storage and cooperage, $75; commission on sales, @ 2½%, $_____; D. L. Wing's ⅓ net gain, $_____; J. Walker's do., $_____; our do., $_____.

15.—Paid cash for James Atwater's draft on us at sight, $1000.

16.—Shipped R. C. Spencer, St. Louis, to be sold on joint account of himself, John Atwater, Chicago, and ourselves, each ⅓, the following invoice of goods, bought of A. T. Stewart & Co., for cash: 20 pcs. Dark Blue Circassian, @ $12; 50 pcs. Green do., @ $10; 10 pcs. Satinet, 300 yds., @ 90¢; 15 pcs. Jeans, 450 yds., @ $1.25 ----- Deposited cash, $10000.

17.—Shipped Stephen A. Douglas, Chicago, pursuant to his order, 8 bags Coffee, 1280 lbs., @ 11¢.

20.—Received cash in full of J. C. Beale's note of the 7th inst.

21.—Paid J. Walker's sight draft in full of his %, per check on Geo. K. Chase & Co., $_____.

25.—Received account of sales from John R. Penn, Green Bay, of goods shipped him on the 8th; our ½ net gain, $250.

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* Let the student use his own name.

PRACTICAL EXERCISES.—FOURTH SERIES.

30.—Received from R. C. Spencer, St. Louis, account sales of goods shipped him on the 16th; our ⅓ net loss, $125 - - - - - Paid cash in full for J. H. Goldsmith's note and interest; note, $300; interest, $5.25.

INVENTORY OF PROPERTY ON HAND APRIL 30.

4 chests Young Hyson Tea, 200 lbs., @ 63¢; 10 boxes Virginia Tobacco, 350 lbs., @ 40¢; Store Fixtures, $1400; unexpired rent, $625.

May 1.—Received from John R. Penn, Green Bay, to be sold on his and our joint %, each ½, 3000 bush. Wheat, invoiced at $1; paid freight, per check, $350.

2.—Bought on our note, at 60 ds., of Claflin, Mellen & Co., 10 pcs. Broadcloth, 1000 yds., @ $4.50; 20 pcs. Cassimere, 1500 yds., @ $2.

3.—Shipped T. W. Woolson, Mt. Pleasant, Iowa, to be sold on our joint %, each ½, 10 pcs. Broadcloth, 1000 yds., @ $4.75; 10 pcs. Cassimere, 750 yds., @ $2.25; paid freight and insurance, per check, $75 - - - - - Received cash of John Atwater, in full of %, $———.

4.—Sold J. C. Bryant, on his note at 10 ds., 3000 bush. Wheat (Mdse. Co. C., Penn's Consignment), @ $1.50 - - - - - Closed Mdse. Co. C. and rendered John R. Penn, an account of sales; our charges for storage, advertising, etc., $150; our commission, 2½% on sales, $———; J. R. Penn's net proceeds, $———; our ½ net gain, $———.

5.—Discounted our acceptance of $461.05, favor of H. G. Reeve & Co., due June 5; discount off, 31 days, @ 7%; paid cash for face of acceptance, less interest for above time and rate, $———.

6.—Shipped Chester Packard, Milwaukee, to be sold on joint % of himself, D. V. Bell, Chicago, and ourselves, each ⅓, 4 chests Young Hyson Tea, 197 lbs., @ 75¢; 10 boxes Virginia Tobacco, 350 lbs., @ 50¢; 100 sacks Rio Coffee, 16000 lbs., @ 10¢. The Tea and Tobacco were from our store; the Coffee was purchased of Acker, Merrall & Co., on our acceptance at 10 ds.; our ⅓ invoice, $———; Chester Packard's do., $———; D. V. Bell's do., $———.

7.—Received from H. B. Tuttle, Cleveland, to be sold on joint % of himself, N. C. Winslow, and ourselves, each ⅓, 1000 brls. Flour, invoiced at $7; paid transportation charges, per check, $450; our ⅓ cost, $———.

10.—Paid James Atwater, in full of %, per check, $———.

12.—Sold Chas. E. Carryl, 10 pcs. Cassimere, 750 yds., @ $2.50; received in payment, James Hill's note for $1500, dated Jan. 1, 1872, with accumulated interest at 7% from date, $38.21; cash for balance, $———.

15.—Sold W. H. Clark, for cash, 1000 brls. Flour (Mdse. Co. D.), @ $8.50 - - - - - Closed Mdse. Co. D., and rendered account of same to H. B. Tuttle and N. C. Winslow; our charges for storage, advertising, etc., $150; our commission, 2½% on sales, $———; H. B. Tuttle's net proceeds, $———; N. C. Winslow's do., $———; our ⅓ net gain, $———.

16.—Remitted H. B. Tuttle, cash in full of his %, $———.

17.—Deposited in Bank, $9000 - - - - - Received cash of Stephen A. Douglas, in full of %, $——— - - - - - Received cash of J. C. Bryant, for his note of May 4, due this day, $———.

19.—Paid our acceptance of 6th inst., favor of Acker, Merrall & Co., due this day, in cash, $———.

20.—Received from T. W. Woolson, Mt. Pleasant, an account sales of the goods shipped him on the 3d for our joint %; our net proceeds remitted in cash, $4000.

25.—Received from Chester Packard, Milwaukee, an account sales of the goods shipped him the 6th inst., for % and risk of Packard, Bell, and ourselves; our net proceeds, $750.

28.—Paid for N. C. Winslow's draft on us, in full of his %, our draft on D. V. Bell, $640.92; balance in cash, $———.

30.—Received cash of R. C. Spencer, in full of %, $——— - - - - - Paid John R. Penn, cash, in full of %, $——— - - - - - Paid D. L. Wing, cash, in full of %, $———.

INVENTORY OF PROPERTY ON HAND MAY 31.

Store Fixtures, $1400; unexpired rent, $500; interest due on J. Hill's note, $43.75.

STATEMENTS.

April 30.

Gains.				
Merchandise	20	75		
Storage and Adv.	150			
Commission	395	75		
Mdse. Co. A.	98	37		
Mdse. Co. B.	195	84		
Ship't in Co. to Green Bay	250		1110	71
Losses.				
Interest	1	50		
Store and Fixtures	100			
Rent	125			
Ship't in Co. to St. Louis	125		351	50
Net Gain (J. H. G., 379.61; Student, 379.60)			759	21
Resources.				
Merchandise	263			
Store and Fixtures	1400			
Unexpired Rent	625			
Cash	6127	25		
J. W. Lusk	75			
J. R. Penn	2981	80		
Geo. K. Chase & Co.	16970	84		
R. C. Spencer	923	33		
John Atwater	524	17		
Stephen A. Douglas	140	80	30034	19
Liabilities.				
Bills Payable	3117	85		
James Atwater	4598	38		
D. L. Wing	5862	50	13578	73
Net Resources			16455	46
J. H. Goldsmith	8075	86		
Student	8379	60	16455	46

May 31.

Gains.				
Merchandise	869	25		
Storage and Adv.	300			
Mdse. Co. C.	443	75		
Mdse. Co. D.	229	17		
Commission	325			
Ship't in Co. to Mt. P.	743	75		
Ship't in Co. to Milwaukee	109	09		
Interest	8	32	3028	33
Losses.				
Rent			125	
Net Gain (J. H. G., 1451.66; Student, 1451.67)			2903	33
Resources.				
Store and Fixtures	1400			
Unexpired Rent	500			
Interest	43	75		
Cash	852	21		
J. W. Lusk	75			
Geo. K. Chase & Co.	20497	46		
T. W. Woolson	3256	25		
Chester Packard	1390	92		
Bills Receivable	1500		29515	59
Liabilities.				
Bills Payable			10156	80
Net Resources			19358	79
J. H. Goldsmith	9527	52		
Student	9831	27	19358	79

SET V.

JOBBING AND IMPORTING BUSINESS,

EMBRACING AS PRINCIPAL BOOKS,

CASH-BOOK, DOMESTIC AND FOREIGN INVOICE-BOOKS, SALES-BOOK AND JOURNAL;

AND AS AUXILIARIES,

INVENTORY-BOOK AND BILL-BOOK,

WITH A ROUTINE OF TRANSACTIONS TAKEN FROM ONE OF THE MOST EXTENSIVE BUSINESS HOUSES IN NEW YORK.

REMARKS.

In the following set we have illustrated a practical method of keeping the accounts of an Importing and Jobbing business. The particular feature in this set consists of the manner and form of original entries, which are made in separate books, elsewhere used as auxiliaries—from which they are either journalized, or passed directly to the Ledger at stated periods. This method has many advantages over consecutive entries in the Day-Book, and in one form or other, is adopted generally in all large establishments. The labors of the book-keeper are thus divided up, and the separate departments of the business receive such special record as to present all the facts in their clearest light. Thus, if any particular information is desired respecting purchases, all the facts can be shown at once from the Invoice Book; and, in the same manner, the fact and condition of the sales can be shown from the Sales-Book, the receipts and disbursements of cash from the Cash-Book, etc.

In the previous sets these books are represented, but they are used only as auxiliaries, the entries of the business being made in the other books without reference to them. This plan, it will be evident, although possessing some merits, involves a large amount of unnecessary labor, which would prove a great objection in extensive business. The special books themselves, however, are so essential to every well-regulated business, that they would receive favor, even at the expense of this additional labor. If, therefore, they can be used without additional labor, and even at a reduction of labor, it would seem that no farther argument would be needed to secure their adoption.

The only difficulty in the way of using special books for original entries lies in the danger of making the entries in the different books conflict with each other upon the Ledger. For example: if a Cash-Book is used, it should be competent to show all receipts and disbursements of cash; this purpose is easily effected by placing the receipts on one side, and the disbursements on the other—the difference, of course, being, at any time, the amount on hand. But this does not cover the entire utility of the Cash-Book; at the same time that cash received is entered upon the debit side of the Cash-Book, the object or cause *for which* it is received may also be stated; in which case a double entry is effected, although but one amount shown. The same principle will hold in entering the disbursements of cash; as, when cash is paid, the object or cause for which it is paid is properly expressed. The appropriate caption for the debit side of the Cash-Book, then, would be "Cash Dr. To Sundries;" the debit of cash being the total amount received at any specified time, and the credit of sundries being the separate amounts produced by the different causes represented; and, on the other hand, the caption for the credit side would be "Sundries Dr. to Cash," cash being credited for the total disbursement as shown, and the sundry causes for which cash was paid debited for their separate amounts. It will thus be seen that the *debit* side of the Cash-Book contains the *credits* of all accounts for which cash is received; and the *credit* side, the *debits* of all accounts for which cash is paid.

Upon the same principle the Invoice-Book, which sustains the same relation to merchandise that the debit side of the Cash-Book does to cash, while it shows, in total, the entire cost of merchandise, will also exhibit the separate credits opposing merchandise; and the Sales-Book, which sustains the same relation to merchandise that the credit side of the Cash-Book does to cash, while it shows, in total, the proceeds of merchandise, exhibits also the separate debits produced by the sales. The difficulty of which we have spoken will now be apparent; as, in every case involving any two of these books, the tendency will be to debit and credit the same accounts *twice*—effecting thus a *double* entry not contemplated by projectors of the science, and of course not warranted by the

facts in the case. Thus, all cash receipts being entered, at specified periods, in total, from the debit side of the Cash-Book, and all cash disbursements from the credit side, it would be erroneous to enter cash from any other book; and the same theory will apply with equal force to the Invoice and Sales-Books.

If, therefore, the peculiar rights of each of these books be respected, viz.: permitting all cash entries to be taken to the Ledger from the Cash-Book, and all purchases and sales of merchandise from the Invoice and Sales-Book, it would preclude the entering of cash in the Invoice or Sales-Book, and also of merchandise in the Cash-Book. Take a single example: Suppose the entry to be "Cash Dr. To Merchandise." All cash receipts must appear on the debit side of the Cash-Book, and the entry on that book would be "To Merchandise," extending the amount into the debit column. When the Cash-Book is posted, this amount will, of course, be included in the total cash debit, and must comprise one of the opposite, or credit entries. So cash would be debited and merchandise credited both from the Cash-Book. Again, all sales of merchandise must be entered in the Sales-Book, and when entered the corresponding debit—in this case, Cash—must also be expressed. When the Sales-Book is posted, the total for which merchandise is credited will include this amount (already entered and posted from the Cash-Book), to correspond with which, and to secure the necessary condition of equal debits and credits, cash must again be debited. According to this standard, therefore, in every case where merchandise is either bought or sold for cash, and the fact expressed through these special books, this error of duplicating debits and credits would occur.

To avoid this difficulty—the only one which stands in the way of classified original entries—two methods have been successfully used; one of which places the books upon an equality, using "neutralizing" accounts for the conflicting entries, and the other acknowledges the supremacy of some one or more books, to which, in all matters of conflict, the others must yield. To be more explicit: In the case before instanced, "Cash Dr. To Merchandise." If the Cash-Book and Sales-Book were upon an equality, the one claiming to furnish all cash entries for the Ledger and the other all merchandise sales, it would be improper to write Cash as a Ledger title in the Sales-Book or Merchandise in the Cash-Book, for the reasons adduced; but a neutralizing account might be opened, to take the place of cash in the Sales-Book and merchandise in the Cash-Book, thus receiving a debit and credit of the same amount, which would, of course, cancel it. Suppose the merchandise to be sold to A, for cash: In the Sales-Book the entry would be "A" Dr., and in the Cash-Book, "A" Cr. The result would be the same as if A had purchased on account, and subsequently paid the amount in cash, thus closing his account. But suppose we acknowledge the supremacy of the Cash-Book in all cases where the two are concerned. When merchandise is sold for cash, the entry in the Cash-Book will be "Cash Dr. To Merchandise," both of which—the debit of cash and the credit of merchandise—will go to the Ledger from the Cash-Book. The same entry can be made in the Sales-Book, *but not posted.* For this purpose a special column may be used—as in the following examples—which, at such times as the general result may need to be shown, can be extended into the other column, which in the total footing will embrace all the sales.

Each of the above methods has its advantages; the latter, however, is generally preferred as being more brief and direct, and leading to less confusion.

The Invoice Books, and the Sales-Book which follow, contain all purchases and sales of merchandise, with the conditions thereof. All sales and purchases *not made for cash* pass from these books to the Ledger; all others, from the Cash-Book.

The transactions of this set, and most of the forms, are taken from one of the largest Importing and Jobbing Houses in New York, and may be relied upon as eminently practical.

ROUTINE.

That the student may get the full advantage of this Set, it will be necessary that he pay strict attention to the routine of transactions given below. Let him make the entries in the different books precisely in the order given. Let the invoices be copied with care, and all the calculations and extensions made by himself. Thus alone will the design of the Set be carried out. The exercises connected with the Foreign Invoice Book, involving compound numbers and the reduction of currencies, are important. In reducing sterling to federal currency, we have taken the Custom House standard of $4.8665 to the £ Sterling. We have also added to each foreign invoice, the duties, which being paid in cash, are not extended with the invoice, but posted from the Cash-Book. In most importing houses, the duties are not extended in the Invoice-Book, but only in the Cash-Book. For good reasons, we prefer the method here adopted.

ROUTINE FOR JULY.

July 1.—The books are opened, as per first Journal entry. (Inventory-Book copied—Cash-Book commenced with balance on hand—Bill-Book written up to show the notes, receivable and payable, as indicated in Journal entry.) - - - - - Bought of C. F. Spalding, on note @ 4 months, Invoice of Sheeting, $553.57 (Dom. I. B.—B. B.) - - - - - Received per steamer Edinburgh, Invoice of Jaconets from S. B. Higgins & Co., $1259.41; Paid duties in cash, $302.26. (For. I. B.—C. B.) - - - - - Bought of B. S. Olmstead, for cash, Invoice of Prints, etc., $1303.76 (Dom. I. B.—C. B.) - - - - - Sold Gordon Bailey, Buffalo, on note @ 8 months, Invoice of Jaconets, $891.35 (S. B.—B. B.) - - - - - Sold Ira Packard, Peru, Ind., on note @ 6 months, Invoice of Hose and Gloves, $273.52 (S. B.—B. B.) - - - - - Sold Mdse. this day, per Petty Cash-Book, $97.50 (C. B.) - - - - - Received cash on % of John Lewis, $500 (C. B.).

3.—Paid Francis & Loutrel for Stationery, $16.75 (C. B.) - - - - - Lent J. E. Jenkins, for one day, $1000 (C. B.) - - - - - Sold Mdse. per Petty Cash-Book, $125 (C. B.).

5.—Sold Hiram Newell, Tonawanda, on his note @ 6 months, Invoice of Sheetings, $697.54 (S. B.—B. B.) - - - - - Received of J. E. Jenkins, return loan, $1000 (C. B.) - - - - - Paid cash for Postage Stamps, etc., $8 (C. B.) - - - - - Paid S. S. Packard, on private %, $100 (C. B.).

6.—Received cash of J. H. Lewis, in full of %, $1200 (C. B.)

7.—Paid Richard Beal cash, in full of %, $185 (C. B.).

8.—Sold Mdse. per Petty Cash Book, $157 (C. B.).

10.—Bought of John Walker & Co., on our note @ 8 months, Invoice of Cotton, $1006.64 (Dom. I. B.—B. B.) - - - - - Received per steamer Manchester, from Johnson, Quigley & Co., Manchester, Invoice of Cotton and Silk Goods, $222.34; Paid duties in cash, $44.21 (For. I. B.—C. B.) - - - - - Bought of Claflin, Mellen & Co., for cash, Invoice of Prints, $2312.52 (Dom. I. B.—C. B.) - - - - - Sold W. P. Pratt, Cincinnati, for cash, Invoice of Jaconets, $714.28 (S. B.—C. B.) - - - - - Sold Baldwin, Laundon & Co., Elyria, O., on their note @ 8 months, Invoice of Shirting, $869.38 (S. B.—B. B.).

11.—Received cash of W. Pennel, in full of %, $483.50 (C. B.).

12.—Sold Charles Claghorn, Homer, Ill., Invoice of Cloths, $433,12 (S. B.—C. B.) - - - - - Paid cash for Drayage and Porterage, $55 (C. B.).

14.—Received cash in full of John Gundry's note, $1580 (C. B.—B. B.).

15.—Received per steamer Ætna, from A. & J. Bailey, Bradford, Invoice of Goods, $247.68; Paid duties in cash, $47.06 (For. I. B.—C. B.) - - - - - Sold E. Mussey & Co., Amherst, O., on their note @ 6 months, Invoice of Shirting, $923.25 (S. B.—B. B.) - - - - - Sold Mdse. for cash, as per Petty Cash-Book, $115.75 (C. B.).

18.—S. S. Pomroy's note discounted, $1000; Discount off, $16.92 (C. B.—B. B.).

20.—Bought of E. Lambert & Co., on our note @ 8 months, Invoice of Bleached Shirtings, $660.73 (Dom. I. B.—B. B.) - - - - - Sold Starr & Co., Elyria, O., on their note @ 6 months, Invoice of Prints, $1425.48 (S. B.—B. B.) - - - - - Paid J. T. Calkins, on private %, $150 (C. B.).

SET V.—ROUTINE.

21.—Sold Mdse. for cash, per Petty Cash-Book, $127.50 (C. B.).

22.—Sold M. Shipley & Co., Cincinnati, on his note @ 8 months, Invoice of Bleached Shirting, $1460.14 (S. B.—B. B.).

23.—Paid cash in full of note, favor of H. G. Smith, $4000 (C. B.—B. B.).

25.—Sold Bidwell & Co., Adrian, Michigan, for cash, Invoice of Goods, $400 (S. B.—C. B.) - - - - - Starr & Co.'s note discounted; Face of note, $1425.48. Discount off, $50.44 (C. B.—B. B.) - - - - - Received per steamer Halifax, from S. T. Horton, Glasgow, Invoice of Goods, $442.55; Paid duties in cash, $106.21 (For. I. B.—C. B.) - - - - - Bought of A. T. Stewart & Co., for cash, Invoice of Prints, $893.63 (Dom. I. B.—C. B.) - - - - - Paid clerk hire in cash, $65 (C. B.).

27.—Sold Mdse. for cash, as per Petty Cash-Book, $275 (C. B.).

28.—Sold E. C. Packard, Crystal Lake, Wis., on his note @ 8 months, Invoice of Goods, $171.04 (S. B.—B. B.).

29.—Paid D. V. Bell, on private %, $175 (C. B.).

30.—Sold Mdse., as per Petty Cash-Book, $83 (C. B.).

31.—Received cash of R. Barker, in full of %, $1000.

ROUTINE FOR AUGUST.

Aug. 1.—Sold O. C. & E. C. Wright, Lockport, N. Y., on their note @ 6 months, Invoice of Goods, $1432.89 (S. B.—B. B.) - - - - - Paid cash for Drayage and Porterage, $17.50 (C. B.).

2.—Lent J. H. Tobitt, $500 (C. B.).

3.—Sold C. R. Caulkins, Delaware, O., for cash, Invoice of Prints, $739.63 (S. B.—C. B.) - - - - - Sold Mdse., as per Petty Cash-Book, $89.27 (C. B.).

6.—Discounted our Note, favor of Geo. A. Crocker; face of note, $1426. Discount off, $19.41 (C. B.—B. B.) - - - - - Sold D. S. Hoadley, Berlin, O., on his note @ 8 mos., Invoice of Goods, $527 (S. B.—B. B.).

6.—O. C. & E. C. Wright's note discounted; face of note, $1432.89. Discount off, $49.60 (C. B.).

7.—Sold Mdse., as per Petty Cash-Book, $150 (C. B.).

8.—Sold J. D. Hinde & Co., Cincinnati, on their note @ 8 months, Invoice of Mdse., $752.57 (S. B.—B. B.).

10.—Received per steamer Australia, from Wm. Thornton & Co., Bradford, Invoice of Goods, $1462.61. Duties paid in cash, $277.89 (For. I. B.—C. B.) - - - - - Sold Geo. A. Crocker, Rochester, for cash, Invoice of Prints, $912.75 (S. B.—C. B.) - - - - - Bought of Wilson G. Hunt, on our note @ 8 months, Invoice of Cloths, $708.40 (D. I. B.—B. B.).

12.—Sold Mdse., as per Petty Cash-Book, $218.50 (C. B.) - - - - - Paid cash for Drayage, $100 (C. B.).

15.—Sold W. H. Woodbury, Chicago, Ill., on his note @ 8 months, Invoice of Goods, $908.29 (S. B.—B. B.) - - - - - Paid J. C. Bryant cash on private %, $150.

17.—Sold C. C. Jones, Peoria, Ill., on his note @ 6 months, Invoice of Goods, $945.94 (S. B.—B. B.) - - - - - Sold Mdse., as per Petty Cash-Book, $375 (C. B.).

20.—Received, per steamer Lebanon, from J. Muir & Sons, Manchester, Invoice of Goods, $189.65. Paid duties in cash, $45.52 (For. I. B.—C. B.) - - - - - Bought of Arnold & Constable, on our note @ 8 months, Invoice of Cloths, $1926.14 (Dom. I. B.—B. B.) - - - - - Bought of Grinnell & Minturn, for cash, Invoice of Goods, $1492.58 (Dom. I. B.—C. B.) - - - - - Sold Paul Roberts, Buffalo, for cash, Invoice of Goods, $923.40 (S. B.—C. B.).

23.—Sold Mdse., as per Petty Cash-Book, $175 (C. B.).

25.—Sold M. Tompkins & Co., Lasalle, Ill., for cash, Invoice of Gloves, $460.75 (S. B.—C. B.) - - - - - C. C. Jones' note discounted; face of note, $945.94. Discount off, $32.19 (C. B.) - - - - - Paid Postage, Porterage, etc., in cash, $13 (C. B.) - - - - Sold C. J. Dietrich, Bellefontaine, Ind., on his note @ 8 months, Invoice of Goods, $402.50 (S. B.—B. B.) - - - - - Sold Baldwin & Co., Cleveland, on their note @ 8 months, Invoice of Prints, $717.47 (S. B.—B. B.).

27.—Sold Ubsdell Pierson & Co., St. Louis, on their note @ 8 months, Invoice of Mixtures, $3303.71 (S. B.—C. B.).

28.—Sold Raymond & Co., Cleveland, on 8 months note, Invoice of Goods, $641.72 (S. B.—B. B.).

30.—Sold Jonas Stratton, Amherst, O., on note @ 8 months, Invoice of Goods, $457 (S. B.—B. B.).

31.—Sold Mdse., per Petty Cash-Book, $115 (C. B.) - - - - - Paid cash in full of Drayage %, $50.75 (C. B.).

DOMESTIC INVOICE-BOOK.

This book contains copies of all invoices of merchandise purchased from importers and others in this country, with the conditions of all such purchases. Each lot and package is distinguished by some peculiar mark, which is transferred to the invoice, thus serving an important purpose in checking the articles, adjusting disputes, etc.

The purchases on time, for which notes are given, are passed to the Ledger from this book; those for cash, from the Cash-Book.

July 1, 1881.

		C. F. SPALDING & Co., *4 months.*					
	13	2 ps. 10–4 Sheeting,	92^3	@ 55¢	51.01		
	14	2 " "	92^3	60	55.65		
	16	2 " "	91^3	65	59.64		
	18	2 " "	92^1	70	64.58		
	20	1 " "	45^2	75	34.12		
	14	1 " "	46^3	65	30.39		
	16	1 " "	46^1	70	32.38		
	18	1 " "	44^1	75	33.19		
	20	1 " "	45^2	80	36.40		
	16	1 " "	46	75	34.50		
	18	1 " "	45^3	80	36.60		
	20	1 " "	45^2	90	40.95		
	22	1 " "	46	96	44.16	553	57
		Note @ 4 months from July 5.					
		"					
		B. S. OLMSTEAD, *6 months.*					
		5 cases Columbian Prints,					
A. T.	596	2137^2					
A. S.	587	1913^3					
X.	351	1935					
	341	1886^3					
A. C.	411	1742	9615 yds., @ 8¢, less ⅛¢		721.13		
		1 bale 2¼ lb. Black Wadding, 30 yds., @ 40¢			12.00		
		2 bales Brown Globe Drills,					
	1141	1032^3					
	1147	1029	2061^3	@ 7⅞	157.21		
		4 cases Harop Prints,					
M.	481	246	1331^3				
C.	491	1262	1581^2				
M.	509	1108	1222				
M.	97	1276	1715^2	5851, @ 8¼¢, less 2½ %	482 91		
					1373.25		
		Less 5 %			68.67		
					1304.58		
		M. 97—1276, short 34 yds.			2.82		
					1301.76		
		Add error in extending Harop Prints			2.00		
		C. B.			1303.76	1303 76	
		Amounts forward				1303 76	553 57

July 10, 1881.

						Amounts forward - - - - - - -		1303	76	553	57
		[O]	JOHN WALKER & Co.,				*8 months.*				
794		40 ps.	Duck Drilling,	1411[2]	@ 17¢	- - - - -	239.96				
800		40	" "	1389[2]	18	- - - - -	250.11				
834		36	Brown "	1415[2]	25	- - - - -	353.88				
704		42	W. B. Diaper,	2169[1]	7¼	- - - - -	162.69			1006	64
		Note @ 8 months from July 10.									
						"					
			CLAFLIN, MELLEN & Co.,				*8 months.*				
9355		50 ps.	Prints,	# 875	1782						
9500		52	"	813	1831[3]	3613[3] yds. @ 10¢	361.37				
8615		55	"	812	1845[1]						
9424		52	"	817	1803[1]						
9737		54	"	814	1870[2]	5519 " 9½¢	524.30				
9024		61	"	816	2112[1]						
7906		59	"	822	2033[2]						
8158		57	"	879	1996[3]	6142[2] " 9¢	552.83				
9629		56	"	818		1945[1] " 9¢	175.07				
199		63	"	820	2249[2]						
238		60	"	821	2140	4389[2] " 7½¢	329.21				
493		60	"	824	2164[1]						
388		59	"	823	2059[1]	4223[2] " 7½¢	316.76				
9095		58	"	825		1970[3] " 9¢	177.87				
							2436.91				
			Deduct 5 % - - - - - - - - - - -				121.84				
							2315.07				
			Less 1 pc. short, 35[3] @ 7½¢, 5 % off - -				2.55				
			C. B.				2312.52	2312	52		
						20					
			EDWARD LAMBERT & Co.,				*8 months.*				
750		4 cases	4-4 Bleached Shirting,								
751		40		1732[2]							
753		40		1736							
754		40		1755							
		40		1731[2]	6955 yds. @ 9½¢.					660	73
		Note @ 8 months from July 20.									
						25					
			A. T. STEWART & Co.,								
C. M.	3892	52	Prints,	# 973	1858						
E. A.	5788	52	"	965	1834						
E. A.	6202	53	"	967	1895[1]	5587[1] yds. @ 8¢	- - 446.98				
D. C.	4187	51	"	972	1924[2]						
E. N.	5630	49	"	968	1954[2]						
E. O.	5685	49	"	971	1929	5808 @ 8½¢	- - - 493.68				
							940.66				
			Discount off 5 % - - - - - - - - -				47.03				
			C. B.				893.63	893	63		
			Purchases on time (taken to Ledger) - - - - -							2220	94
			Cash Purchases (entered from C. B.) - - - - -							4509	91
			Total for the month - - - - - - - - - -							6730	85

NEW YORK, August 10, 1881.

WILSON G. HUNT, *8 months.*

22 ps. 3-4 Doeskin,

♯ 163	728	$28\frac{7}{8}$	♯ 163	$899\frac{3}{4}$	$22\frac{1}{8}$
	870	29		748	29
	754	$28\frac{3}{4}$		894	$28\frac{1}{8}$
	864	$28\frac{1}{8}$		835	$28\frac{3}{8}$
	860	$29\frac{3}{8}$		834	$28\frac{1}{4}$
	755	$29\frac{1}{8}$		729	$28\frac{3}{4}$
	759	$28\frac{3}{4}$		861	28
	750	$27\frac{3}{8}$		233	$28\frac{1}{4}$
	822	$29\frac{1}{8}$		716	$27\frac{1}{8}$
♯ 162	554	$28\frac{3}{4}$		805	$29\frac{3}{8}$
163	833	$28\frac{7}{8}$		$899\frac{3}{4}$	$21\frac{7}{8}$ = 616 yds., @ $1.15			708	40

Note @ 8 months from August 10.

20

ARNOLD & CONSTABLE, *10 months.*

1877	30 Belgian Cass.,	1091	
1881	30 "	1178^2	
1896	30 "	1137	
1915	28 "	1094^2	
1903	30 "	1151^2	
1737	33 World's Fair,	1268	
1775	30 "	1168	
1823	33 "	1279^3	
1834	33 "	1261^2	
1845	30 "	1147	
1906	30 Sebastopol Checks,	1168^3	
1913	27 " "	1245^2 = 14191 yds., @ $13\frac{1}{2}$¢,	1915.78
	Cooperage - - - - - - - - - - - - - -		3.00
			1918.78
	Add 77 yds., @ $13\frac{1}{2}$¢,	10.39	
	Less Freight,	3.03 - - - - - -	7.36
			1926 14

Note @ 8 months.

"

GRINNELL & MINTURN, *8 months.*

S. M. A. 733	1240^3		
734	1239^2	"Springfield,"	
735	1234^3		
H. M. C. A. 539	1208		
540	1233		
	4 cases 4-4 Bleached Sheeting, 6156 yds., @ $10\frac{1}{2}$¢ - -		646.38
S. M. D. 169	1202^2		
170	1197^1		
171	1223^3		
172	1171^1		
173	1212^2		
H. M. C. D. 492	1239		
500	1254		
501	1234		
	8 cases 33 in. Bleached Sheeting, 9734^1 yds., @ $9\frac{1}{2}$¢ -		924.75
			1571.13
	Discount off 5 % - - - - - - - - -		78.55	1492 58	

C. B.

Purchases on time (taken to Ledger) - - - - -		2634 54
Cash Purchases (posted from Cash-Book) - - - -		1492 58
Total for the month - - - - - - - - - - -		4127 12

FOREIGN INVOICE-BOOK.*

NEW YORK, July 1, 1881.

		Sterling Currency.			Federal Currency.						
		£	s.	d.	£	s.	d.	$	¢	$	¢
R	S. B. HIGGINS & Co., *Glasgow*, per Steamer "*Edinburgh*," June 3, 1881.										
205	50 ps. 9-8 printed Jaconets, 2572 yds. - - - @ 4¾*d.*	50	18	1							
	Making up, Casing, etc. - - - - - - -	1	11		52	9	1				
206	50 ps. 9-8 printed Jaconets, 2540² yds. - - @ 4¾*d.*	50	5	7							
	Making up, Casing, etc. - - - - - - -	1	11		51	16	7				
207	50 ps. 9-8 printed Jaconets, 2561² yds. - - @ 4¾*d.*	50	13	11							
	Making up, Casing, etc. - - - - - - -	1	10	9	52	4	8				
208	60 ps. 9-8 10 B. and W. Jaconets - - - @ 5*s.* 5*d.*	16	5								
	1 1 1 3 2 34 4 9 4 1										
	21 22¼ 23 24 24½ 25 25½ 26 26½ 27										
	Making up, Casing, etc. - - - - - - -	1	4		17	9					
209	58 ps. 9-8 10 B. and W. Jaconets - - - @ 5*s.* 5*d.*	15	14	2							
	2 2 42 5 6 1										
	23½ 24 25 25½ 26 26½										
	Making up, Casing, etc. - - - - - - -	1	3	8	16	17	10				
210	56 ps. 9-2 12⁰⁰ B. and W. Jaconets - - - @ 7*s.* 3*d.*	20	6								
	1 1 4 38 11 1										
	18½ 23 24 25 25½ 26										
	Making up, Casing, etc. - - - - - - -	1	3	4	21	9	4				
211	56 ps. 9-2 12⁰⁰ B. and W. Jaconets - - - @ 7*s.* 3*d.*	20	6								
	Making up, Casing, etc. - - - - - - -	1	3	4	21	9	4				
212	54 ps. 9-8 14⁰⁰ printed Jaconets - - - - @ 8*s.* 9*d.*	23	12	6							
	1 1 3 3 34 9 1 1 1										
	14½ 23 24 24½ 25 25½ 26 27 33										
	Making up, Casing, etc. - - - - - - -	1	3		24	15	6				
					258	11	4				
	Discount off, 1¼% - - - - - - - -				3	17	7				
					254	13	9				
	Cartage - - - - - - - - - - -		2	9							
	B. L., etc. - - - - - - - - - - -		5								
	Commission, 1½% - - - - - - - -	3	14	4	4	2	1				
					258	15	10			1259	41
	C. B. Duties, 24%—Paid in Cash - - - - -							302	26		

10

P. B. & Co.

JOHNSON, QUIGLEY & Co., *Manchester*, per Str. "*Manchester*," June 4, 1881.

71	25 doz. Ladies' White Cotton Hose, @ 2*s.* 9*d.*	3	8	9							
	20 " " " " 3*s.*	3									
	29 " " " " 2*s.* 10*d.*	4	2	2							
46	1 " " Pearl Spun Silk Hose, 8¼, 20*s.*	1									
46	1 " " " " " 9, 20*s.*	1									
1	4 " " Black " " 9, 19*s.*	3	16								
6	2 " " Pearl " " 9, 53*s.*	5	6								
6	½ " Men's Novi Silk Shirts, 39*s.*		19	6							
62	1 " " " " 50*s.*	2	10								
120	1 " " " " 55*s.*	2	15								
66	1 " " " " 62*s.*	3	2								
68	8 doz. Ladies' Lisle Gauntlets, 11*s.* 6*d.*	4	12								
100	5 " " " " 12*s.* 6*d.*	3	2	6							
101	5 " " " " 22*s.*	5	10								
	Inland Carriage - - - - - - - - -		2	10							
	Cases, Oil Cloth, etc. - - - - - - -		13	6							
		45		3							
	Commission, 1½% - - - - - - - -		13	6	45	13	9			222	34
	Duties, 24% on Cotton and 15% on Silk—							44	21		
	C. B. Paid in Cash.										
	Amounts forward - - - - - - - -							346	47	1481	75

* Copies of Foreign Invoices, with Import Duties added.

NEW YORK, July 15, 1881.

			Sterling Currency. £	s.	d.	Federal Currency. £	s.	d.	$	¢	$	¢
		Amounts forward							346	47	1481	75
P. B. & Co.		A. & J. BAILEY, *Bradford*, per Steamer "*Etna*," June 15, 1881.										
	54	60¾ Lawns assorted, 3028² @ 3¼*d.*	48	17	11							
		Making up, Casing, etc.	2	6	10							
			51	4	9							
		Discount 1¼%		12	10							
			50	11	11							
		Carriage to Liverpool		6		50	17	11	47	06	247	68
		C. B. Duties, 19%—Paid in Cash.										
		25										
P. B. & Co.		S. T. HORTON, *Glasgow*, per Steamer "*Halifax*," June 20, 1881.										
520	70	400 9-8 14⁰⁰ Robes a Les, 10 yds. each @ 4*s.* 6*d.*	90	0	0							
		Off 36 ps. No. 1, 9*s.*, and 1¼% £1 7*s.*	1	16	0							
			88	4	0							
		Card, 4*s.*, Box, 17*s.*, Com. etc., £1 12*s.*	2	13	0	90	17	0				
		Cartage				0	1	9				
						90	18	9			442	55
		C. B. Duties, 24%—Paid in Cash							106	21		
		Total Imports for the month							499	74	2171	98
		Duties on the same									499	74
											2671	72
		August 10										
P. B. & Co.		WILLIAM THORNTON & Co., *Bradford*, per Str. "*Australia*," July 1, 1881.										
	29	60¾ Mohair Mixtures, 2996 @ 3¼*d.*	39	0	2							
		Case, Pkg., etc., 14*s.*, Com., 19*s.* 6*d.*	1	13	6	40	13	8				
	30	60¾ Bye Cloths, assorted, 2969 @ 3*d.*	37	2	3							
		Case, Pkg., etc., 13*s.*, Com., 18*s.* 6*d.*	1	11	6	38	13	9				
	31	60¾ Bye Cloths, assorted, 2973 @ 3*d.*	37	3	3							
		Case, Pkg., etc., 13*s.*, Com., 18*s.* 7*d.*	1	11	7	38	14	10				
	32	60¾ Bye Cloths, assorted, 2965 @ 3*d.*	37	1	3							
		Case, Pkg., etc., 13*s.*, Com., 18*s.* 6*d.*	1	11	6	38	12	9				
	33	60¾ Bye Cloths, assorted, 2966 @ 3*d.*	37	1	6							
		Case, Pkg., etc., 13*s.*, Com., 18*s.* 6*d.*	1	11	6	38	13	0				
	34	60¾ Bye Cloths, assorted, 2965² @ 3*d.*	37	1	4							
		Case, Pkg., etc., 13*s.*, Com., 18*s.* 6*d.*	1	11	6	38	12	10				
	35	60¾ Fine Mohair Mixtures, 2877² @ 5¼*d.*	65	18	10							
		Case, Pkg., etc., 12*s.* 6*d.*, Com., 32*s.* 11¾*d.*	2	5	5	68	4	3				
						302	5	1				
		1½% discount				3	15	7				
						298	9	6				
		Carriage to Liverpool				2	1	5				
						300	10	11			1462	61
		C. B. Duties, 19%—Paid in Cash							277	89		
		20										
P. B. & Co.		JAMES MUIR & SONS, *Manchester*, per Str. "*Lebanon*," July 10, 1881.										
	674	25 ps. White Piques, 324 yds. @ 2*s.* 4*d.*	37	16	0							
		Discount off		9	2							
			37	6	10							
		Charges, Commission, etc.	1	13	7	38	19	5			189	65
		C. B. Duties, 24%—Paid in Cash							45	52		
		Total imports for the month							323	41	1652	26
		Duties on same									323	41
		Total costs of imports									1975	67

SALES-BOOK.

This book contains all the regular sales, either for cash or on time; the cash sales being extended in the inner column, are, of course, not included in the amount for which merchandise is credited from the Sales-Book. These sales, together with the petty sales not entered on the Sales-Book, are posted from the Cash-Book. The total credit of the Merchandise account for the month will agree, in amount, with the monthly recapitulation in the Sales-Book.

NEW YORK, July 1, 1881.

		GORDON BAILEY, *Buffalo, N. Y.*			
B	205	50 ps. 9-8 Printed Jaconets, 2572 yds., @ 15¢	$385.80		
	208	60 ps. 9-8 10 B. & W. " 1509² " 10¢	150.95		
	209	58 ps. " " 1455 " 10¢	145.50		
	210	56 ps. " " 1394 " 15¢	209.10	891	35
		Note @ 8 months from July 1.			
		"			
		IRA PACKARD, *Peru, Ind.*			
I. P.	71	25 doz. Ladies' White Cotton Hose, @ $1	$25.00		
		20 " " 1.25	25.00		
		29 " " 1.13	32.77		
	46	1 doz. Pearl Spun Silk Hose, 8½	8.00		
	46	1 " " 9	8.00		
	1	4 doz. Black " 9 @ $ 7.50	30.00		
	6	2 doz. Pearl " 20.00	40.00		
	100	8 doz. Ladies' Lisle Gauntlets, 4.50	36.00		
	101	5 " " 4.75	23.75		
	15	5 " " 9.00	45.00	273	52
		Note @ 6 months from July 1.			
		5			
		HIRAM NEWELL, *Tonawanda, N. Y.*			
T	13	2 ps. 10-4 Sheeting, 92¾ yds. @ 70¢	$64.93		
	14	2 " " 92¼ " 75¢	69.56		
	16	2 " " 91¾ " 80¢	73.40		
	18	2 " " 92½ " 85¢	78.41		
	20	1 " " 45½ " 90¢	40.95		
	14	1 11-4 " 50½ " 84¢	42.17		
	16	1 " " 46½ " 90¢	41.62		
	18	1 " " 44½ " 95¢	42.04		
	20	1 " " 45½ " $1	45.50		
	16	1 12-4 " 46 " 95¢	43.70		
	18	1 " " 45¾ " $1	45.75		
	20	1 " " 45½ " $1.15	52.32		
	22	1 " " 45¾ " $1.25	57.19	697	54
		Note @ 6 months from July 5.			
		10			
		W. P. PRATT & Co., *Cincinnati, O.*			
	206	50 ps. Printed Jaconets, 2540½ yds., @ 14¢	$355.67		
	207	50 " " 2561½ " 14¢	358.61	714	28
		Received Cash.			
		Amounts forward		714	28	1862	41

NEW YORK, July 10, 1881.

		Amounts forward - - - - - - - -			714	28	1862	41
B. L. & Co.		BALDWIN, LAUNDON & Co., *Elyria, O.*						
		4 cases Bleached Shirting,						
		♯ 750	40	1732[1]				
		751	40	1736				
		753		1745[1]				
		754	40	1741[2]	6955 yds. - - @ 12½¢		869	38
		Note @ 8 months from July 10.						
		12						
		CHARLES CLAGHORN & Co., *Homer, Ill.*						
		10 ps. Black Doeskin,						
		♯ 163	728	28⅞				
			870	29				
			754	28¾				
			864	28¾				
			860	28⅛				
			755	28⅞				
			759	29⅜				
			750	29⅛				
			822	28¾				
			833	29⅛	288¼ yds. - - @ $1.50	433	12	
		Received Cash.						
		15						
		E. MUSSEY & Co., *Amherst, O.*						
		5 cases Bleached Shirting,						
	733			1240[1]				
	734			1239				
	735			1234[3]				
	539			1208				
	540			1233	6155 yds. - - - - - - - - - @ 15¢		923	25
		Note @ 8 months.						
		20						
		STARR & Co., *Elyria, O.*						
C. M.	3892	52 Prints,	973	1858				
E. A.	5788	52 "	965	1834				
E. A.	6202	53 "	967	1895	5587 yds. @ 12¢ - - $670.44			
D. C.	4187	51 "	972	1924[2]				
E. N.	5630	49 "	968	1954				
E. O.	5685	49 "	971	1929[2]	5808 yds. @ 13¢ - - $755.04		1425	48
		Note @ 6 months.						
		22						
		MURRAY SHIPLEY & Co., *Cincinnati, O.*						
		8 cases 33 in. Bleached Shirting,						
	169			1202[2] 1212[2]				
	170			1197[1] 1239				
	171			1223[3] 1254				
	172			1171[1] 1234	9734¼ yds. - - - - @ 15¢		1460	14
		Note @ 8 months.						
		Amounts forward - - - - - - - -			1147	40	6540	66

NEW YORK, July 25, 1881.

		Amounts forward - - - - - - -	1147	40	6540	66
		BIDWELL & Co., *Adrian, Mich.*				
	7	200 9-8 14^{00} Robes a Les (10 yds.), @ $2.00 - - - - -	400			
		Received Cash.				
		28				
		EDWIN C. PACKARD, *Crystal Lake, Wis.*				
674	14	6 White Piques, 119^{1}, @ 75¢ - - - - - - - - $89.44				
	16	2 " 37^{3}, @ 80¢ - - - - - - - - 30.20				
	17	4 " 64^{1}, @ 80¢ - - - - - - - - 51.40			171	04
		Note @ 8 months from date.				
		Sales on time - - - - - - - - - - - - - - - - -			6711	70
		Sales for cash, entered herein but posted from C. B. - -	1547	40		
		Petty sales, entered alone on C. B. - - - - - - - -	980	75	2528	15
		Total sales for the month - - - - - - -			9239	85
		August 1				
		O. C. & E. C. WRIGHT, *Lockport, N. Y.*				
H. M.		1 bale Brown Sheeting, 563^{2} yds., @ 14¢ - - - $ 78.89				
	62	50 doz. Gents' Linen Hdkfs., @ $5 - - - 250.00				
R. X.		1 case Cotton Damask, 540 yds., @ 20¢ - - - 108.00				
	231	16 pcs. Blk. Bombazine, 568 yds., @ $1.25 - - 710.00				
		1 case Silesia, 2200 yds., @ 13¢ - - - 286.00			1432	89
		Note @ 6 months.				
		3				
		C. R. CAULKINS, *Delaware, O.*				
	9355	50 ps. Prints, 875 1782				
	9500	50 " 813 1831^{3} 3613^{3} yds., @ 15¢ - $542.06				
	9095	58 " 825 1970^{3} " 12¢ - 236.49				
		778.55				
		5 % off - - - - - - - - - - - - 38.92	739	63		
		Received Cash.				
		5				
		DAVID S. HOADLEY, *Berlin, O.*				
	231	10 pcs. Black Bombazine, 350 yds., @ $1.10 - - $385.00				
	19	20 pcs. Duck, 710 " 20¢ - - 142.00			527	
		Note @ 8 months.				
		8				
		J. D. HINDE & Co., *Cincinnati, O.*				
		1 bale Stark Brown Sheetings, 829 yds., @ 10¢ - $ 82.90				
B.		1 bale 4-4 Shaker Flannel, 337^{2} " 50¢ - 168.75				
		12 pcs. Green Veil Barege, 200 " 35¢ - 70.00				
1066		1 case Solid Check Ginghams, 2394 " 18¢ - 430.92			752	57
		Note @ 8 months.				
		Amounts forward - - - - - - -	739	63	2712	46

NEW YORK, August 10, 1881.

		Amounts forward - - - - - - -			739	63	2712	46
		GEO. A. CROCKER, *Rochester, N. Y.*						
		5 cases Columbian Prints,						
A. T.	596	958	2130^2					
A. S.	587	959	1913^3					
X.	351		1935					
	341		1886^3					
A. C.	411		1742	9608 yds., @ 10¢ - - -	$960.80			
		5 % off - - - - - - - - - - - -			48.05	912	75	
		Received Cash.						
		15						
		WM. H. WOODBURY, *Chicago, Ill.*						
		4 cases Harop Prints,						
M.	481	246	1331^3					
C.	491	1262	1581^3					
M.	509	1108	1222					
M.	97	1276	1715^2	5851 yds., @ 12¢ - - -	$702.12			
		2 bales Brown Globe Drills,						
		1141	1032^3					
		1147	1029	2061^3 yds., @ 10¢ - -	206.17		908	29
		Note @ 8 months.						
		17						
		C. C. JONES, *Peoria, Ill.*						
L B P.		1 case Paper Cambrics, 2000 yds., @ 10¢ - - -			$200.00			
	8	21 pairs White Blankets, @ $3.63 - - -			76.23			
	197	17 pcs. Black Satinet, 469 yds., @ 75¢ - - -			351.75			
	19	17 pcs. Duck, 662 @ 20¢ - - -			132.40			
A. B.		1 case Cottonades, 687^1 @ 27¢ - - -			185.56		945	94
		Note @ 6 months.						
		20						
		PAUL ROBERTS, *Buffalo, N. Y.*						
		9 cases Cotton Damask, 4860 yds., @ 20¢ - - -			$972.00			
		5 % off - - - - - - - - - - - -			48 60	923	40	
		Received Cash.						
		25						
		M. TOMPKINS & CO., *La Salle, Ill.*						
		90 doz. Ladies' Lisle Gauntlets, @ $5 - - - -			$450.00			
		5 " " Kid Gloves, @ $7 - - - -			35.00			
					485.00			
		5 % off - - - - - - - - - - - -			24.25	460	75	
		Received Cash.						
		"						
		C. J. DIETRICH, *Bellefontaine, Ind.*						
		1 case Linseys, 1266 yds., @ 20¢ - - - -			$253.20			
		1 case Corset Jeans, 1493 " 10¢ - - - -			149.30		402	50
		Note @ 8 months.						
		Amounts forward - - - - - - -			3036	53	4969	19

NEW YORK, August 25, 1881.

		Amounts forward - - - - - - - -					3036	53	4969	19
		BALDWIN & Co., *Cleveland, O.*								
239	8615	55 ps. Prints,	812	1845[1]						
	9426	53 "	817	1808[1]						
	9737	54 "	814	1870[2]	5519 yds., @ 13¢ - - - -				717	47
		Note @ 8 months.								
		27								
		UBSDELL, PIERSON & Co., *St. Louis.*								
U.P.&Co.	29	60¾ ps. Mohair Mixtures,			2996, @ 15¢ - - -	$449.40				
	30	60¾ " "			2969, @ 14¢ - - -	415.66				
	31	60¾ " "			2973, @ 14¢ - - -	416.22				
	32	60¾ " "			2965, @ 14¢ - - -	415.10				
	33	60¾ " "			2966, @ 14¢ - - -	415.24				
	34	60¾ " "			2965[2], @ 14¢ - - -	415.17				
	35	60¾ ps. Fine M. Mixtures,			2877[2], @ 27¢ - - -	776.92			3303	71
		Note @ 8 months.								
		28								
		RAYMOND & Co., *Cleveland, O.*								
674	18	4 ps. White Piques,			75[1], @ $1.00 - - - - -	$75.25				
	19	1 " "			15, @ 1.25 - - - - -	18.75				
	20	8 ps. Welts,			158, @ 40¢ - - - - -	63.20				
	54	60¾ ps. Lavelles,			3028[1], @ 16¢ - - - - -	484.52			641	72
		Note @ 8 months.								
		30								
		JONAS STRATTON, *Amherst, O.*								
	62	¼ doz. Men's Novi Silk Shirts, @ $20 - - -				$10				
	120	1 " " "			25 - - -	25				
	66	1 " " "			30 - - -	30				
	68	1 " " "			35 - - -	35				
	211	56 Printed Jaconets "			3 - - -	168				
	212	54 " " "			3.50 - - -	189			457	
		Note @ 8 months.								
		Sales on time - - - - - - - - - - - - - - - -							10089	09
		Sales for cash, entered here and posted from C. B. -					3036	53		
		Petty sales, entered alone on C. B. - - - - - - -					1122	77	4159	30
		Total sales for the month - - - - - - -							14248	39

This is the most convenient form for a Cash-Book to be kept in connection with a general merchandise business; the feature of *special columns* may be extended, if desirable. It will be seen that *all* cash entries, debit and credit, are taken to the Ledger, either through the Journal or directly, from this book, together with all accounts producing or costing cash. The amounts distinguished as "per petty Cash-Book," are entered here from a book

Dr. Cash.

				Mdse.		Sundries.		Balances.	
1881									
July	1		Amount on hand					6725	20
	1	Mdse.	Sales, per petty Cash-Book	97	50				
	1	✓ J. H. Lewis	Received on %			500			
	3	Mdse.	Sales, per petty Cash-Book	125					
	5	✓ Loan	Return from J. E. Jenkins			1000			
	6	✓ J. H. Lewis	Received in full of %			1200			
	8	Mdse.	Sales, per petty Cash-Book	157					
	10	Mdse.	Sold W. P. Pratt, Cin'ti (S. B.)	714	28				
	11	✓ W. Pennel	In full of %			483	50		
	12	Mdse.	Sold C. Claghorn, Illinois (S. B.)	433	12				
	14	✓ Bills Rec'ble	John Gundry's note due			1580			
	15	Mdse.	Sales, per petty Cash-Book	115	75				
	18	✓ Bills Rec'ble	S. S. Pomeroy's note discounted			1000			
	21	Mdse.	Sales, per petty Cash-Book	127	50				
	25	✓ Bills Rec'ble	Starr & Co.'s note discounted			1425	48		
	25	Mdse.	Sold Bidwell & Co., Adrian (S. B.)	400					
	27	Mdse.	Sales, per petty Cash-Book	275					
	30	Mdse.	Sales, per petty Cash-Book	83					
	31	✓ R. Barker	Rec'd in full of %			1000			
				2528	15	8188	98		
			Mdse. Sales for cash			2528	15		
			Total cash rec'd during month			10717	13	10717	13
								17442	33
Aug.	1		Balance on hand					6610	57
	3	Mdse.	Sold C. R. Caulkins, Del. (S. B.)	739	63				
	3	Mdse.	Sales, per petty Cash-Book	89	27				
	5	✓ Interest	Discount on note favor G. A. C.			19	41		
	6	✓ Bills Rec'ble	Disc. O. C. & E. C. Wright's note			1432	89		
	7	Mdse.	Sales, per petty Cash-Book	150					
	10	Mdse.	Sold Geo. A. Crocker, per S. B.	912	75				
	12	Mdse.	Sales, per petty Cash-Book	218	50				
	17	Mdse.	Sales, per petty Cash-Book	375					
	20	Mdse.	Sold Paul Roberts, per S. B.	923	40				
	23	Mdse.	Sales, per petty Cash-Book	175					
	25	✓ Bills Rec'ble	Discounted C. C. Jones' note			945	94		
	25	Mdse.	Sold M. Tompkins, per S. B.	460	75				
	31	Mdse.	Sales, per petty Cash-Book	115					
				4159	30	2398	24		
			Mdse. Sales for cash			4159	30	6557	54
			Total cash rec'd during month			6557	54	13168	11

containing sales too insignificant to be entered on the regular Sales-Book. The column headed "Balances," will be found very convenient for the purposes for which it is used. The check-marks, in the column following dates, are made to indicate that the amounts opposite in the "Sundries" column have been journalized. Were these amounts posted directly to the Ledger, the Ledger-page would be written instead of the check-marks.

Cash. *Cr.*

1881					Mdse.		Sundries.	
July	1		Mdse.	Paid duties, per Foreign I. B.	302	26		
	1		Mdse.	Olmstead's Invoice, per Dom. I. B.	1303	76		
	3	✓	Expense	Francis & Loutrels's stationery bill			16	75
	3	✓	Loan	Lent J. E. Jenkins for one day			1000	
	5	✓	Expense	Postage stamps, $3; Drayage, $5			8	
	5	✓	S. S. Packard	Paid him on private %			100	
	7	✓	Richard Beale	Paid him in full of %			185	
	10		Mdse.	Duties, as per Foreign I. B.	44	21		
	10		Mdse.	Claflin, Mellen & Co.'s Inv. per Dom. I. B.	2312	52		
	12	✓	Expense	Drayage and porterage			55	
	15		Mdse.	Duties, as per Foreign I. B.	47	06		
	18	✓	Interest	Discount on Pomeroy's note			16	92
	20	✓	J. T. Calkins	On private %			150	
	23	✓	Bills Payable	Note favor H. G. Smith due			4000	
	25		Mdse.	Duties, per Foreign I. B.	106	21		
	25		Mdse.	A. T. Stewart & Co.'s Invoice, per Dom. I. B.	893	63		
	25	✓	Expense	Clerk hire, $40; $25			65	
	25	✓	Interest	Discount on Starr & Co.'s note			50	44
	29	✓	D. V. Bell	On private %			175	
					5009	65	5822	11
				Mdse. purchased for cash			5009	65
				Total cash paid out during the month			10831	76
				Balance on hand			*6610*	*57*
							17442	33
Aug.	1	✓	Expense	Paid Drayage, $10; porterage, $7.50			17	50
	2	✓	Loan	Lent J. H. Tobitt			500	
	5	✓	Bills Payable	Discounted note favor Geo. A. Crocker			1426	
	6	✓	Interest	Discount on O. C. & E. C. W.'s note			49	60
	10		Mdse.	Duties, as per Foreign I. B.	277	89		
	12	✓	Expense	Paid drayage, on %			100	
	15	✓	J. C. Bryant	Paid on private %			150	
	20		Mdse.	Duties, as per Foreign I. B.	45	52		
	20		Mdse.	Bo't of Grinnell, M. & Co., per Dom. I. B.	1492	58		
	25	✓	Expense	Porterage, $5; postage, $3; charity, $5			13	
	25	✓	Interest	Discount on C. C. Jones' note			32	19
	31	✓	Expense	Paid drayage in full			50	75
					1815	99	2339	04
				Mdse. purchased for cash			1815	99
				Total cash paid for the month			4155	03
				Balance on hand			*9013*	*08*
							13168	11

SET V.—BILL-BOOK.

The Bill-book can never, with advantage, be made a *principal* book, from which to post; although some authors have attempted so to use it. The form presented below is the best for general purposes, although the arrangement in the former example is more comprehensive.

BILLS RECEIVABLE.

No.	When Rec'd.	Drawer or Endorser.	Drawee or Maker.	Date.	Time.	When Due.	Amount.		When and How Disposed of		
				1881		1881					
1	July 1	H. W. Ellsworth	John Gundry	Jan. 11	6 mo.	July 14	1580	00	July	14	Paid.
2	" 1	Daniel Atwood	S. S. Pomeroy	Mar. 12	8 mo.	Nov. 15	1000	00	"	18	Discounted.
						1882					
3	" 1	P. B. & Co.	Gordon Bailey	July 1	8 mo	Mar. 4	891	35			
4	" 1	H. B. Bryant	Ira Packard	" 1	6 mo.	Jan. 4	273	52			
5	" 5	Paul Roberts	Hiram Newell	" 5	6 mo	" 8	697	54			
6	" 10	H. D. Stratton	Baldwin, L. & Co.	" 10	8 mo.	Mar. 13	869	38			
7	" 15	P. B. & Co.	E. Mussey & Co.	" 15	8 mo.	" 18	923	25			
8	" 20	J. G. Reid	Starr & Co.	" 20	6 mo.	Jan. 23	1425	48	July	25	Discounted.
9	" 22	Jno. D. Hinde	Murray, S. & Co.	" 22	8 mo.	Mar. 25	1460	14			
10	" 28	Wm. P. Eaton	E. C. Packard	" 28	8 mo.	Mar. 31	171	04			
11	Aug. 1	James Atwater	O. C. & E. C. Wright	Aug. 1	6 mo.	Feb. 4	1432	89	Aug.	6	Discounted.
12	" 5	P. B. & Co.	David S. Hoadley	" 5	8 mo.	April 8	527	00			
13	" 8	do.	J. D. Hinde & Co.	" 8	8 mo.	" 11	752	57			
14	" 15	J. O. Eaton	W. H. Woodbury	" 15	8 mo.	" 18	908	29			
15	" 17	P. B. & Co.	C. C. Jones	" 17	6 mo.	Feb. 20	945	94	Aug.	25	Discounted.
16	" 25	do.	C. J. Dietrich	" 25	8 mo.	Apr. 28	402	50			
17	" 25	do.	Baldwin & Co.	" 25	8 mo.	" 28	717	47			
18	" 27	do.	Ubsdell, P. & Co.	" 27	8 mo.	" 30	3303	71			
19	" 28	do.	Raymond & Co.	" 28	8 mo.	May 1	641	72			
20	" 30	do.	Jonas Stratton	" 30	8 mo.	" 3	457	00			

BILLS PAYABLE.

No.	When Issued.	Drawer or Endorser.	Drawee or Maker.	Date.	Time.	When Due.	Amount.		When and How Disposed of.		
				1881		1881					
1	Jan. 20	H. G. Smith & Co.	P. B. & Co.	Jan. 20	6 mo.	July 23	4000	00	July	23	Paid.
2	Mar. 1	A. S. Prentiss	do.	Feb. 26	8 mo.	Oct. 29	3500	00			
3	Apr. 12	Geo. A. Crocker	do.	Apr. 12	6 mo.	Oct. 15	1426	00	Aug.	5	Discounted.
4	July 5	C. F. Spalding	do.	July 5	4 mo.	Nov. 8	553	57			
						1882					
5	" 10	J. Walker	do.	" 10	8 mo.	Mar. 13	1006	64			
6	" 20	E. Lambert & Co.	do.	" 20	8 mo.	" 23	660	73			
7	Aug. 10	W. G. Hunt	do.	Aug. 10	8 mo.	Apr. 13	708	40			
8	" 20	Arnold & Constable	do.	" 20	8 mo.	" 23	1926	14			

INVENTORY BOOK.

This book is used to enumerate the different articles of unsold merchandise, at such times as may be deemed desirable. It is, in this instance, purely an auxiliary, the amount of merchandise on hand being included in the open journal entry. Inventories are frequently copied into one of the Invoice Books; but a separate book is preferable.

Inventory, July 1, 1881.

Marks.	Nos.		Yds.	Price.	Amount.	
[A] R.	49	1 case Prints	1905	.10	190	50
		60 pieces Doeskin	1842	1.35	2486	70
H. M.		1 bale Brown Sheetings	563[2]	.11	61	98
[R]	192	1 case Black Tabby Velvet	796	.26[3]	212	93
L. [B] B.	1	1 case Paper Cambrics	2000	.06[1]	125	
	8	21 pairs White Blankets		3.43	72	03
B.		1 bale Denims	569	.10[2]	59	74
		41 pcs. Blk. and Wht. Tweeds	1369[2]	.25	342	37
	1072 1060 1085	3 pcs. Blk. Doeskin	70	.92[2]	64	75
		21 pcs. Fancy Cassimeres	576[1]	.60	345	75
	197	17 " Blk. Satinet	469	.52[2]	246	22
Y. [A] W.		1 case Printed Jaconets	2010	.12[2]	251	25
[A] F.		1 " Woolen Shawls	60	4.89	293	40
	231	26 pcs. Blk. Bombasin	900	.87[2]	787	50
	19	37 " Duck	1392	.15	208	80
		2 bales Blk. Wadding doz.	80	.22	17	60
	1289	110 Robes		1.50	165	
[A.B.]		1 case Cottonades	687[1]	.22[2]	154	63
R. & X.		10 cases Cotton Damask	5400	.16	864	
	62	150 doz. Gent's Linen Hdkfs.		4.50	675	
	M.	150 pcs. Diaper		.90	135	
		50⅞ Blay Linens	1931[2]	.17	328	35
A. S. B.		1 case Delaines	1300	.25	325	
	190	1 " Blk. Alpacas	910	.27[2]	250	25
	4	1 " Opera Flannel	750	.37[2]	281	25
	3024	1 " D. Bege	864	.11	95	04
		100 doz. Men's Gloves		2.50	250	
		140 " Ladies' Lisle Gauntlets		4.46	624	40
		5 doz. Ladies' Kid Gloves		6.25	31	25
		1 bale Stark Brown Sheetings	829	.08[2]	70	46
	130	1 " 4–4 Shaker Flannel	337[2]	.45	151	88
		12 pcs. Green Veil Barege	200	.29	58	
	1066	1 case Solid Check Ginghams	2394	.14	335	16
		25 pcs. Coburgs	525	.50	262	50
		1 case Silesia	2200	.09[1]	203	50
	4595	1 " Linseys	1266[2]	.17[2]	221	64
		1 " Corset Jeans	1725[1]	.06	103	51
[R] E. S.		1 bale Eagle Ticks	700	.11[2]	80	50
					11432	84

NEW YORK, July 1, 1881.

Sundries	To Sundries,				
	Resources and Liabilities of S. S. Packard, D. V. Bell, J. C. Bryant, and J. T. Calkins, partners in the firm of "Packard, Bell & Co.," doing a general Jobbing and Importing business in the City of New York; as taken from the Balance Sheet of their last Ledger:				
Cash	Amount on hand, per Cash-Book	6725	20		
Merchandise	" " Inventory-Book	11432	84		
Bills Receivable	Notes on hand, per Bill-Book	2580			
Store Rent	Advance payment for rent	2000			
John Lewis	Balance of %	1700			
Robert Barker	"	1000			
William Pennel	"	483	50		
To Bills Payable	Notes outstanding, per Bill-Book			8926	
R. P. Beale	Balance of %			185	
S. S. Packard	Net Investment			4202	63
D. V. Bell	"			4202	63
J. C. Bryant	"			4202	64
J. T. Calkins	"			4202	64
	31				
Merchandise	To Sundries	4392	92		
To Bills Payable	For the following Invoices per Dom. I. B.:				
	From C. F. Spaulding, July 5, $ 553.57				
	" J. Walker & Co., " 10, 1006.64				
	" E. Lambert & Co., " 20, 660.73			2220	94
To S. B. Higgins	Invoice of July 1, per For. I. B.			1259	41
Johnson, Quigley & Co.	" 10, "			222	34
A. & J. Bailey	" 15, "			247	68
S. T. Horton	" 25, "			442	55
	"				
Bills Receivable	To Merchandise	6711	70		
	Sales for the month, per Sales-Book:				
	Gordon Bailey, July 1, $ 891.35				
	Ira Packard, " 1, 273.52				
	Hiram Newell, " 5, 697.54				
	Baldwin, L. & Co., " 10, 869.38				
	E. Mussey & Co., " 15, 923 25				
	Starr & Co., " 20, 1425.48				
	M. Shipley & Co., " 22, 1460.14				
	Edwin C. Packard, " 28, 171.04			6711	70
	"				
Cash	To Sundries	10717	13		
	Receipts per Cash-Book:				
To Mdse.	Total Sales for cash			2528	15
John H. Lewis	Rec'd on %, $500; $1200			1700	
Loan	Return from J. E. Jenkins			1000	
Wm. Pennel	In full of %			483	50
Bills Rec'ble	Rec'd on notes, $1580; $1000; $1425.48			4005	48
Robert Barker	In full of %			1000	
		47743	29	47743	29

NEW YORK, July 31, 1881.

Sundries	To Cash			10831	76
	Disbursements, per Cash-Book:				
Mdse.	Purchases, etc., for cash	5009	65		
Expense	As per items, $16.75; $8; $55; $65	144	75		
Loan	Lent J. E. Jenkins	1000			
S. S. Packard	Paid on private %	100			
Richard Beale	In full of %	185			
Interest	Per items, $16.92; $50.44	67	36		
J. T. Calkins	Paid on private %	150			
Bills Payable	Redeemed note favor of J. H. Smith	4000			
D. V. Bell	Paid on private %	175			
	Aug. 31				
Merchandise	To Sundries	4286	80		
To Bills Payable	Invoices per Dom. I. B.:				
	From Wilson G. Hunt, Aug. 10, $708.40				
	" Arnold & Constable, " 20, 1926.14			2634	54
To Wm. Thornton & Co.	Invoice of Aug. 10, per F. I. B.			1462	61
J. Muir & Sons	" " 20, "			189	65
	〃				
Bills Receivable	To Merchandise	10089	09		
	Sales for the month, as per Sales-Book:				
	O. C. & E. C. Wright, Aug. 1, $1432.89				
	David S. Hoadley, " 5, 527.00				
	J. D. Hinde & Co., " 8, 752.57				
	Wm. H. Woodbury, " 15, 908.29				
	C. C. Jones, " 17, 945 94				
	C. J. Dietrich, " 30, 402.50				
	Baldwin & Co., " 25, 717.47				
	Ubsdell, Pierson & Co., " 27, 3303.71				
	Raymond & Co., " 28, 641.72				
	Jonas Stratton, " 30, 457.00			10089	09
	〃				
Cash	To Sundries	6557	54		
	Receipts per Cash-Book:				
To Mdse.	Total sales for cash			4159	30
Interest	Discount on note favor G. A. C.			19	41
Bills Rec'ble	Received on notes, $1432.89; $945.94			2378	83
	〃				
Sundries	To Cash			4155	03
	Disbursements, per Cash-Book:				
Mdse.	Purchases, etc., for cash	1815	99		
Expense	Per items, $17.50; $100; $13; $50.75	181	25		
Loan	Lent J. H. Tobitt	500			
Bills Payable	Discounted note favor G. A. C.	1426			
Interest	Per items, $49.60; $32.19	81	79		
J. C. Bryant	Paid on private %	150			
		35920	22	35920	23

PACKARD, BELL & CO.'S BALANCE SHEET.

Taken New York, August 31, 1881.

	L. Fol.	Trial Balance. Dr.	Trial Balance. Cr.	Inventory.	Business Accounts. Losses.	Business Accounts. Gains.	S. S. Packard. Dr.	S. S. Packard. Cr.	D. V. Bell. Dr.	D. V. Bell. Cr.	J. C. Bryant. Dr.	J. C. Bryant. Cr.	J. T. Calkins. Dr.	J. T. Calkins. Cr.	Financial Statement. Resources.	Financial Statement. Liabilities.
S. S. Packard	-	- - -	4202 63	- - -	- - -	- - -	- - -	4202 63	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
D. V. Ball	-	- - -	4202 63	- - -	- - -	- - -	- - -	- - -	- - -	4202 63	- - -	- - -	- - -	- - -	- - -	- - -
J. C. Bryant	-	- - -	4202 64	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	4202 64	- - -	- - -	- - -	- - -
J. T. Calkins	-	- - -	4202 64	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	4202 64	- - -	- - -
Cash	-	23999 87	14986 79	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	9013 08	- - -
Bills Receivable	-	19380 79	6384 31	- - -	- - -	4550 04	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	12996 48	- - -
Merchandise	-	26938 20	23488 24	*8000*	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	8000 - -	- - -
Store Rent	-	2000 - -	- - -	*1500*	500	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	1500 - -	- - -
Bills Payable	-	5426	13781 48	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	8355 48
S. B. Higgins & Co.	-	- - -	1259 41	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	1259 41
Johnson, Quigley & Co.	-	- - -	222 34	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	222 34
A. & J. Bailey	-	- - -	247 68	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	247 68
S. T. Horton	-	- - -	442 55	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	442 55
Loan	-	1500	1000	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	500 - -	- - -
Expense	-	326	- - -	- - -	326	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
S. S. Packard (private)	-	100	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	100 - -	- - -
Interest	-	149 15	19 41	- - -	129 74	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
J. T. Calkins (private)	-	150	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	150 - -	- - -
D. V. Bell (private)	-	175	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	175 - -	- - -
Wm. Thornton	-	- - -	1462 61	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	1462 61
J. Muir & Sons	-	- - -	189 65	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	189 65
J. C. Bryant (private)	-	150	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	150 - -	- - -
		80295 01	80295 01													
S. S. Packard's ½ net gain	-			-	*898 58*	- - -	- - -	898 58	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
D. V. Bell's " "	-			-	*898 58*	- - -	- - -	- - -	- - -	898 58	- - -	- - -	- - -	- - -	- - -	- - -
J. C. Bryant's " "	-			-	*898 57*	- - -	- - -	- - -	- - -	- - -	- - -	898 57	- - -	- - -	- - -	- - -
J. T. Calkins's " "	-			-	*898 57*	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	898 57	- - -	- - -
					4550 04	4550 04										
S. S. Packard's net capital	-						*5101 21*	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	5101 21
							5101 21	5101 21								
D. V. Bell's net capital	-								*5101 21*	- - -	- - -	- - -	- - -	- - -	- - -	5101 21
									5101 21	5101 21						
J. C. Bryant's net capital	-										*5101 21*	- - -	- - -	- - -	- - -	5101 21
											5101 21	5101 21				
J. T. Calkins's net capital	-												*5101 21*	- - -	- - -	5101 21
													5101 21	5101 21	32584 56	32584 56

QUESTIONS FOR REVIEW.—SETS IV AND V.

Remarks.—Page 66.

1. What are the characteristics of Set IV?—*2.* What advantage does the Day-Book in Journal form have over the Historical Day-Book?—*3.* What is meant by "Merchandise Companies"?—*4.* In what particulars does this kind of copartnership differ from general copartnerships?—*5.* Wherein do the two methods of keeping Mdse. Co. accounts, as shown in this set, differ?—*6.* What is the principle recognized in the *first* method?—*7.* What in the *second* method?—*8.* Give an illustration of each.—*9.* By the first method, when more than two parties are interested, what entry should the *consignee* make on receipt of the property to be sold on joint % ?—*10.* What, the *consignor* upon shipping the property?—*11.* What, the other parties?—*12.* By the second method, when three or more parties are interested, what entry will the *consignee* make on receiving property to be sold on joint % ?—*13.* What, the *consignor?*—*14.* What, the other parties?—*15.* Is there any difference in the final result by these separate methods?—*16.* When is the *consignee* considered responsible by the first method?—*17.* When, by the second?—*18.* Are Mdse. Co. accounts to be classified as *Financial,* or *Business?*—*19.* How may they be made *Financial?*—*20.* How *Business?*—*21.* What different method of closing the Ledger is shown in Set IV?—*22.* Is there any necessity for a *Balance* account?—*23.* How may its place be filled?—*24.* What is the usual entry in bringing down balances of resources and liabilities?—*25.* What is the advantage of auxiliary books?—*26.* Can special Books of entry be so used as to dispense with the Journal?

Balance Sheets and Auxiliaries.—Pages 90 and 93.

27. Explain the method of ruling the Balance Sheet.—*28.* What advantages has this form over most others in use?—*29.* What objection is there to a multiplicity of auxiliary books?—*30.* How is this objection removed in large establishments?—*31.* What are the essential points in a business letter?

Remarks on Set V.—Page 110.

32. What business is represented by this set?—*33.* What are its features?—*34.* Has this method any advantages over that of consecutive entries, hitherto shown?—*35.* What are they?—*36.* What difficulty lies in the way of using the various books of original entries as principal books?—*37.* What should the Cash-Book show?—*38.* How is it made to show all receipts and disbursements?—*39.* What will the difference between the two sides of the Cash-Book represent?—*40.* When Cash is debited on the Cash-Book, what is credited?—*41.* Is every entry made on either side of the Cash-Book really a *double* entry?—*42.* What would be a proper caption for the debit side of the Cash-Book?—*43.* What, for the credit side?—*44.* What credits are shown on the debit side of the Cash-Book?—*45.* What debits on the credit side?—*46.* Does the same principle hold with reference to the Sales-Book and Invoice-Books?—*47.* State the difficulty likely to occur in transactions required to be entered in two of these books.—*48.* If the peculiar rights of each book are respected, will it be proper to post Cash from the Sales or Invoice-Book, or Merchandise from the Cash-Book?—*49.* What would be the effect of such posting?—*50.* How many methods are there of avoiding this difficulty?—*51.* What are they?—*52.* Which of these methods is preferable?—*53.* Which is used in this set?—*54.* What does the Inventory-Book in this set contain, and how is it used?—*55.* What does the Domestic Invoice-Book contain?—*56.* What entries are passed to the Ledger from this book?—*57.* What does the Foreign Invoice-Book contain?—*58.* The Sales-Book?—*59.* With what will the total credit of Merchandise account for the month agree?—*60.* Explain the characteristics and use of the Cash-Book.—*61.* Are all the debits and credits appearing on the Cash-Book posted?—*62.* What amounts are entered in the "Sundries" column?—*63.* How are these amounts posted?—*64.* What does the check-mark opposite these amounts denote?—*65.* What would be written instead of the check-marks were the amounts posted *directly* from the Cash-Book?—*66.* Can the Bill-Book be used to advantage as a *principal* book?

SINGLE ENTRY

CHANGED TO DOUBLE ENTRY,

WITH AMPLE ILLUSTRATIONS AND EXPLANATIONS,

EMBRACING

TWO DISTINCT SETS OF BOOKS BY SINGLE ENTRY,

ONE REPRESENTING THE BUSINESS OF A RETAIL MERCHANT AND THE OTHER THAT OF A BUILDER, BOTH OF WHICH ARE

CHANGED TO DOUBLE ENTRY, AND THE BUSINESS CONTINUED.

IN THE LATTER SET A DISSOLUTION OF COPARTNERSHIP TAKES PLACE, AND THE STUDENT IS REQUIRED TO WRITE UP ORIGINAL TRANSACTIONS TO COMPLETE THE SET.

CHANGING SINGLE TO DOUBLE ENTRY.

It is unfortunate that the terms "Single Entry" and "Double Entry" should have come to mark, in popular thought, the distinction between two "systems" of Book-keeping; as because of this it is made the duty of teachers and authors to draw certain positive lines of demarcation, and treat an imperfect method with considerations to which it is not entitled. It is true that what is termed Single Entry Book-keeping is practiced to a greater or less extent in reputable business, and it is also true that it is never practiced where Double Entry would not serve the purpose better. To say that Single Entry causes less writing—if it ever does—is to say that it thus conveys disproportionately less information; and to assume—as is sometimes done—that Double Entry, as compared with Single Entry, is intricate and mysterious, and that it serves as a convenient cover for fraud, is to evince great ignorance of the whole subject. The real difference between the two "systems" lies in the quality of information secured and the form of the original entry. The Double Entry form is altogether more economical—causing less writing for the same amount of information; and the facts of the business which Double Entry gives and Single Entry does not, are just the facts which every intelligent and enterprising man wants to know. As has been shown in the foregoing lessons, Double Entry comprises a system of equations by which effects are exactly measured by causes, and causes by effects, while Single Entry presents but one side of the equation, and that imperfectly. The Double Entry Ledger is always in equipoise, and always affords a perfect survey of the business, both in its active processes and in its results; while the Single Entry Ledger contains merely the evidences of personal indebtedness for and against the business—in other words, personal accounts. There must, of course, be a way of getting at the property and debts, and this is done, except as to personal accounts, outside the Ledger. The cash on hand is usually shown in the Cash-Book, and the notes, receivable and payable, in the Bill-Book; while the value of unsold property is ascertained as in Double Entry.

The Single Entry Ledger, so far as it goes, does not differ, in effect, from the Double Entry Ledger. It simply falls short of the true idea of a Ledger, which is to present the progress and condition of the business.

The object of the exercises which follow is twofold—first, to show the characteristic points of Single Entry, with its possibilities as a system of record, and next, to mark the distinction between Single Entry and Double Entry. The latter purpose is served by converting a set of Single Entry Books into Double Entry, and continuing the business under that form.

It will require but little perspicacity to follow the transactions of the Single Entry set to the books of final record. The form of expression in the Day-Book is to be noticed, as it is this form which has given to the system its designation. For every entry in the Day-Book, a *single* entry is made in the Ledger; and as no entry is made in the Day-Book except to debit or credit a personal account, so there are no other than personal accounts in the Ledger. The facts about cash and bills are recorded in separate books; while the progress of the business can be shown only in a general way, by knowing the increase or diminution in wealth. Of course, no system of book-keeping would at all answer the requirements of business which did not afford the means of getting at the resources and liabilities; and knowing them, the changing of Single to Double Entry is scarcely more than a mechanical process.

The student who has gone through the analyses of the previous sets will have no difficulty in understanding how the net gain or net loss can be ascertained, even without the *business* accounts, and hence will readily follow the process shown in the Preparatory Statement, by which the equilibrium of resources and liabilities is made to appear as the foundation of Double Entry.

In writing up the transactions in the two forms, while the superiority of Double Entry will be plainly recognized, the points of distinction will be apparent, and the possibilities of Single Entry brought to view.

-CASH-

Received.

1880				
Jan.	1	James Mason's Investment	3000	
	1	Robert Walker's Investment	1000	
	3	John Simmons,—Coat, $20; Pants, $9.50; Vest, $7	36	50
	3	Joseph Kinsey, on %	15	
	3	Miscellaneous Sales, per tickets	58	25
	5	W. H. Beebe,—Overcoat, $35; Vest, $7.50; Cravat, $1.50	44	
	5	Miscellaneous Sales, per tickets	39	63
	7	John Mason, Invoice Ready-made Clothing	175	
			4368	38
	9	Balance on hand	4156	38
	9	Robert Hall,—6 yards blue Broadcloth, @ $5	30	
	10	Wm. H. Joeckel,—Business Suit	23	
	12	Bill of Goods ordered by P. T. Barnum	350	
	13	1 doz. Hdkfs. $3; 3 doz. Cravats, $30; 2 doz. Collars, $5	38	
	15	A. B. Butts,—Dress Suit	40	
	15	Miscellaneous Sales, this week, per tickets	450	
			5087	38
	16	Balance on hand	5003	63
	16	Bill of Goods to P. Evans, Cincinnati	375	
	17	3 doz. Cravats, $40; 5 doz. standing Collars, $13.50	53	50
	20	Assortment Ready-made Clothing,—J. Allen, Pittsburg	500	
	22	Miscellaneous Sales for the week, per tickets	378	95
			6311	08
	23	Balance on hand	6175	58
	23	2 doz. Cravats, $30; 6 Vest patterns, $35	65	
	25	1 pair Pants, $9; 1 Dress Coat, $25; 1 Cravat, $1.50	35	50
	25	Bill of Ready-made Clothing,—C. S. Sill, Troy	175	
	27	6 doz. Hdkfs., $20; 8 doz. French Yoke Shirts, $170	190	
	27	Ira Packard,—Dress Suit	36	50
	30	Miscellaneous Sales, this week, per tickets	322	15
			6999	73
	31	Balance on hand	6834	73

Paid.

1880				
Jan.	3	Stationery, $10; Painting and Cleaning, $15	25	
	7	Seamstress's wages, $27; Clerk hire, $10	37	
	7	John Jones, on %	150	
	7	*Balance on hand*	*4156*	*38*
			4368	38
	13	Sundry expenses, per Expense-Book	15	75
	14	Seamstress's wages, $50; Clerk's hire, $18	68	
	14	*Balance on hand*	*5003*	*63*
			5087	38
	19	Sundry expenses, per Expense-Book	12	50
	20	Seamstress's wages, $75; Clerk hire, $18	93	
	21	Office Desk and Chair	30	
	21	*Balance on hand*	*6175*	*58*
			6311	08
	25	Sundry expenses, per Expense-Book	15	
	30	Seamstress's wages and Clerk hire	75	
	30	Cutter's wages for the month	75	
	30	*Balance on hand*	*6834*	*73*
			6999	73

PHILADELPHIA, January 1, 1880.

James Mason and Robert Walker unite in copartnership in a Gentlemen's Furnishing establishment. They invest equally, and share equally in gains and losses.

1 James Mason, *Cr.*
By Cash invested $3000
Merchandise, per Inventory 4500
Sundry Notes, per B. B. 750 — 8250

1 James Mason, *Dr.*
To balance due John Jones — 500

"

2 Robert Walker, *Cr.*
By Cash invested $1000
Store and Fixtures 6750 — 7750

"

3 John Jones, *Cr.*
By amount owing him by J. Mason — 500

2

4 William Patterson, *Dr.*
To 1 pair Doeskin Pants $ 9
1 Blue Broadcloth Coat 22
1 Figured Satin Vest 7 50
12 Pocket Handkerchiefs, @ 50¢ 6 — 44 50

3

5 Joseph Kinsey, *Dr.*
To 1 doz. Fancy Neckties $12
1½ doz. Byron Collars, @ $3 4 50
6 Vest Patterns, assorted 35
8 yds. Farmer's Satin 6
3 doz. pairs Gents' Hose 9 — 66 50

5 Contra, *Cr.*
By Cash on % — 15

4

6 James M. Dooley, *Dr.*
To 1 doz. Fine Shirts $24
3 " Lamb's Wool Undershirts, @ $15 45
3 " pairs Flannel Drawers, @ $15 45 — 114

5

7 Sumner Packard, *Dr.*
To 3 yds. Fine French Broadcloth, @ $5 $15
12 yds. English Cassimere, @ $2 24 — 39

7

3 John Jones, *Dr.*
To Cash paid on % — 150

PHILADELPHIA, January 9, 1880.

8 — Jabez Dunham, *Dr.*
To Wedding Suit, per contract - - - - - - - - - - - - - 59

10

6 — James M. Dooley, *Cr.*
By 10 tons Coal, for use of the store, @ $5 - - - - - - - - - 50

12

9 — Robert S. Hayward, *Dr.*
To 1 Frock Overcoat - - - - - - - - - - - - - - $30
1 Dress Coat - - - - - - - - - - - - - - - - 25
1 pair French Cassimere Pants - - - - - - - - - - 10 — 65

14

10 — Erastus Young, *Dr.*
To Making Dress Coat - - - - - - - - - - - - - - $9
" Vest - - - - - - - - - - - - - - - - - 3
Repairing Coat - - - - - - - - - - - - - - - 2 — 14

16

9 — Robert S. Hayward, *Cr.*
By his note @ 30 days to balance % - - - - - - - - - - - 65

17

11 — David T. Fuller, *Dr.*
To 1 Frock Coat - - - - - - - - - - - - - - - - $30
1 Vest - - - - - - - - - - - - - - - - - 5 50
1 Overcoat for Master Frank - - - - - - - - - 12 — 47 50

18

12 — Charles Claghorn, *Dr.*
To 6 Shirts (French Yoke), @ $2.50 - - - - - - - - - $15
10 pairs Socks, @ 25¢ - - - - - - - - - - - - - 2 50
Drawers and Undershirts, 2 each, $1.25 - - - - - - 5 — 22 50

20

13 — Henry Dwight, *Dr.*
To Frock and Pants for Master Silas - - - - - - - - - - - 10

21

14 — Schuyler Corbit, *Dr.*
To 1 Dress Coat - - - - - - - - - - - - - - - - $23
2 Neck Ties - - - - - - - - - - - - - - - - 3
6 Pocket Handkerchiefs - - - - - - - - - - - - 1 50 — 27 50

25

15 — Wilson G. Hunt & Co., *Cr.*
By Bill of Cloths, per Invoice - - - - - - - - - - - - - 575

30

16 — Henry Shaft, *Dr.*
To 1 pair Pants - - - - - - - - - - - - - - - - $ 9
1 Dress Coat - - - - - - - - - - - - - - - - 25 — 34

1

Dr. James Mason. *Cr.*

1880						1880					
Jan.	1	To Balance due J. J. - -	1	500		Jan.	1	By Investment - - - -	1	8250	
						"	31	⅛ net gain - - - -		681	61

2

Dr. Robert Walker. *Cr.*

						1880					
						Jan.	1	By Investment - - - -	1	7750	
						"	31	⅛ net gain - - - -		681	62

3

Dr. John Jones. *Cr.*

1880						1880					
Jan.	7	To Cash - - - - - -	1	150		Jan.	1	By Balance due him - -		500	

4

Dr. Wm. Patterson. *Cr.*

1880											
Jan.	2	To Sundries - - - - -	1	44	50						

5

Dr. Joseph Kinsey. *Cr.*

1880						1880					
Jan.	3	To Sundries - - - - -	1	66	50	Jan.	3	By Cash - - - - - -	1	15	

6

Dr. James M. Dooley. *Cr.*

1880						1880					
Jan.	4	To Sundries - - - - -	1	114		Jan.	10	By 10 tons Coal - - - -	1	50	

7

Dr. Sumner Packard. *Cr.*

1880											
Jan.	5	To Sundries - - - - -	1	39							

8

Dr. Jabez Dunham. *Cr.*

1880											
Jan.	9	To Wedding Suit - - -	1	59							

9

Dr. Robert S. Hayward. *Cr.*

1880						1880					
Jan.	12	To Sundries - - - - -	2	65		Jan.	16	By Note @ 30 days - -	2	65	

10

Dr. Erastus Young. *Cr.*

1880											
Jan.	14	To Making and Repairing	2	14							

11

Dr. David T. Fuller. *Cr.*

1880											
Jan.	17	To Sundries - - - - -		47	50						

12

Dr. Charles Claghorn. *Cr.*

1880											
Jan.	18	To Sundries - - - - -	2	22	50						

13

Dr. Henry Dwight. *Cr.*

1880											
Jan.	20	To Frock and Pants - -	2	10							

14

Dr. Schuyler Corbit. *Cr.*

1880											
Jan.	21	To Sundries - - - - -	2	27	50						

15

Dr. Wilson G. Hunt. *Cr.*

						1880					
						Jan.	25	By Mdse. - - - - - -	2	575	

16

Dr. Henry Shaft. *Cr.*

1880											
Jan.	30	To Sundries - - - - -	2	34							

PROCESS OF CHANGING.

The student need not here be told that the first requisite in opening a set of Double Entry books is a statement of resources and liabilities. This statement is also necessary in Single Entry as often as it is required to know the progress or condition of the business for any purpose. In the preceding Ledger we have a record of such of the resources and liabilities as consist of personal accounts,—the rest must be gathered from other sources.

Inasmuch as the partners were credited, each for his net investment, we can tell from their accounts what was the original capital. If now there be either more or less net resources than this investment, the result will show a gain or loss, as the case may be. If a gain, the partners should, of course, be credited in their proportionate shares; or if a loss, be debited. This will, again, equalize the resources and liabilities, and give the data for a Double Entry Ledger.

To this end we present the following

Preparatory Statement.

Statement of the Resources and Liabilities of James Mason and Robert Walker, who have this day changed their books from Single to Double Entry.

Resources.

Personal Accounts Receivable (already posted)	413	50		
Notes Receivable on hand, per Bill-Book	815			
Cash, per Cash-Book	6834	73		
Merchandise, per Inventory	2975			
Store and Fixtures, per cost	6750		17788	23

Liabilities.

Personal Accounts Payable (already posted)	925			
James Mason, Net Investment	7750			
Robert Walker, "	7750		16425	
Total net gain in business			1363	23
James Mason's ½ $681.61				
Robert Walker's ½ 681.62				

From this schedule it will be seen that when the above resources and liabilities are duly entered upon the Ledger—the resources to the debit, and the liabilities to the credit of the accounts representing them—they will lack just the amount of net gain ($1363.23) of balancing. If this amount, then, be entered to the credit of the partners, where it properly belongs, and the additional accounts opened, we shall have the commencement of a Double Entry Ledger.

We now complete this process, crediting the partners each for his ½ gain, and opening accounts in the supplementary or completed Ledger with the additional resources: Bills Receivable, Cash, Merchandise, and Store and Fixtures. These four new accounts constitute the " change," and will serve very clearly to show the exact difference in the two systems, so far as the Ledger is concerned.

Dr. **Bills Receivable.** *Cr.*

1881 *Jan.*	31	Notes on hand.			815														

Dr. **Cash.** *Cr.*

1881 *Jan.*	31	On hand.			6834	73													

Dr. **Merchandise.** *Cr.*

1881 *Jan.*	31	On hand.			2975														

Dr. **Store and Fixtures.** *Cr.*

1881 *Jan.*	31	Valuation.			6750														

It is important before commencing the current record of business in Double Entry books, to ascertain if the Ledger balances. With this view we submit the following

Trial Balance.

Balances.					Face of Ledger.			
Dr.		Cr.			Dr.		Cr.	
		8431	61	James Mason	500		8931	61
		8431	62	Robert Walker			8431	62
		350		John Jones	150		500	
44	50			Wm. Patterson	44	50		
51	50			Joseph Kinsey	66	50	15	
64				James M. Dooley	114		50	
39				Sumner Packard	39			
59				Jabez Dunham	59			
14				Erastus Young	14			
47	50			David T. Fuller	47	50		
22	50			Charles Claghorn	22	50		
10				Henry Dwight	10			
27	50			Schuyler Corbit	27	50		
		575		Wilson G. Hunt			575	
34				Henry Shaft	34			
815				Bills Receivable	815			
6834	73			Cash	6834	73		
2975				Merchandise	2975			
6750				Store and Fixtures	6750			
17788	23	17788	23		18503	23	18503	23

The books are now to be continued in Double Entry, from the following transactions.

PHILADELPHIA, February 1, 1881.

Sold Robert Milburn for Cash,		
1 doz. Suspenders	$ 4 50	
4 " Cravats . . . . . @ $15 . . .	60	
3½ " French Yoke Shirts (fine) . @ 30 . . .	105	
10 " Standing Collars . . . . @ 1 80 . . .	18	
	187	50
2		
Received Cash for rent of upper story, one month	50	
"		
Paid Robert Walker Cash on private %	100	
3		
Accepted John Jones's draft on us @ 30 days, favor A. B. Butts .	350	
5		
Bought of Dunham & Brokaw, on our note @ 60 days,		
Mdse., per Invoice	700	
7		
Sold Wm. Patterson * on %,		
3 doz. Vest Patterns . . . . . @ $50	$150	
10 yds. Blue Broadcloth, ... @ 6	60	
20 yds. French Cassimere . . . . @ 4	80	
	290	
8		
Received of James M. Dooley, Cash in full of %	64	
"		
Paid the following expenses in Cash :		
Clerk hire	$ 25	
Seamstress's wages	115	
	140	
10		
Sold R. C. Davis & Co., Albany, on their note @ 4 months,		
Mdse., per Invoice	500	
12		
Bought of James Dunham, for the private use of Robert Walker,		
1 Firkin Butter, 100 lbs. . . . @ 25 cts.	$25	
1 Bbl. "Seek no Further" Apples	6	
1 do Cider Vinegar	8	
Paid him per order on Sumner Packard.	39	
13		
Received Cash of Joseph Kinsey, in full of %	51	50
15		
Sold Edwin Forrest, on %,		
1 Suit Fine Broadcloth	50	
17		
Paid Advertising Bill in Cash	75	

* Be careful not to open the same account *twice*.

PHILADELPHIA, February 20, 1880.

Paid Cash for insurance on store and contents, ¾% on $4000.* (Manhattan Insurance Co.)		30
25		
Received Cash of Jabez Dunham, in full of %		59
"		
Paid Expenses of store to date, per Expense Book		150
26		
Our store and contents were this day consumed by fire :		
Value of Store and Fixtures	$5000†	
Mdse on hand	2800	
Manhattan Insurance Co. owes us per policy		4000
28		
Received Cash in full for R. S. Hayward's Note, due the 18th inst		65
"		
Received Cash of the following persons :		
Erastus Young in full of %	$14	
David T. Fuller "	47 50	
Charles Claghorn "	22 50	
Henry Dwight "	10	
Schuyler Corbit "	27 50	
Henry Shaft "	34	
		155 50
"		
Paid Cash to Wilson G. Hunt, in full of %		575
"		
Received Cash of Manhattan Insurance Co.		4000

* As this insurance is to be applied proportionately on the store and the merchandise it may contain, it will be more simple to charge it to Expense account, or to open a separate account with "Insurance."

† It is purposed to include in this insurance both Store and Fixtures and Merchandise at their proportionate value. It is the student's business to ascertain how much of the $4000 should be credited to Store and Fixtures account, and how much to Merchandise. This cannot be difficult, as the basis of valuation is given.

Trial Balance, Feb. 28.

				James Mason	8431	61	8431	61
		139		Robert Walker	8431	62	8292	62
10397	23	11467	23	Cash	1070			
1211	60	3675		Mdse.	2463	40		
4135	90	6750		Store and Fixtures	2614	10		
				Bills Payable	1050		1050	
395		395		Expense				
334	50	334	50	William Patterson				
50		50		Edwin Forrest				
1250		1315		Bills Receivable	65			
17774	23	24125	73		24125	73	17774	23

Inventory, Feb. 28.

Store Lot, valued at $2000.00

Losses in Business.

On Merchandise		1211.60
" Store and Fixtures		2135.90
By Expense		395.00
James Mason's ½ net loss	$1871.25	3742.50
Robert Walker's "	1871.25	

Present Condition of Business.

Resources.

Cash	$10397.23
Store Lot	2000.00
Bills Receivable	1250.00
William Patterson	334.50
Edwin Forrest	50.00
	14031.73

Liabilities.

Bills Payable		$1050.00
James Mason, Investment	$8431.61	
" ½ net loss	1871.25	
" Present Interest		6560.36
Robert Walker, Investment	8431.62	
" Amount drawn	139.00	
" ½ net loss	1871.25	2010.25
" Present Interest		6421.37
		14031.73

PRACTICAL EXERCISES—FIFTH SERIES.

The following memoranda of transactions will serve as material for a set of Single Entry Books, which the student is requested to write up. Let him record the receipts and disbursements of cash in the Cash-Book, adopting the form used in the previous set; also, rule up a Bill-Book, after the form on pages 44 and 45, in which enter the Bills, Receivable and Payable. Should he choose, in addition, to keep a Sales-Book and an Invoice-Book, in which to record receipts and sales of merchandise, it will much facilitate the labor of collecting resources preparatory to deciding upon the gain or loss in business. We have here an important change in the business, occurring at the end of the first month. One of the partners retires from the concern, his interest having been purchased by the remaining partner, who continues the business in the same books. This is an important matter for the student to understand, both because it involves principles having a general application to the science, and because such events are of frequent occurrence.

The first thing to be considered in buying or selling the interest of a partner is to know the amount of that interest, or how much of the net resources belong to him. His *prospective* interest, or the "good will" of the business, is an after consideration. The interest which any sole or partial proprietor has in a concern is equal to his net investment, *plus* his share of the gain, or *minus* his share of the loss. Consequently, if he has already been credited with his net investment, it is only necessary to ascertain his share in the gain or loss, which, carried to the credit or debit of his account, as the case may be, will make that account express his real interest in the business. The method of ascertaining gains and losses, where books are kept by Single Entry, is neither so direct nor satisfactory as that by Double Entry, but still it can be done with certainty and exactness. That the student may learn the difference in the two systems, he is requested to write up the following series, first in Single, and next in Double Entry form. This will give a better distinction between the two systems than could be otherwise obtained.

Transactions—Partnership Books.

Buffalo, Nov. 1, 1880.—W. P. Spencer and E. R. Felton unite in copartnership for the purpose of conducting the business of Building. Each to receive interest on his average investment, and the gain or loss to be divided as follows: W. P. Spencer, $\frac{6}{10}$; E. R. Felton, $\frac{4}{10}$.

W. P. Spencer Invests:

Cash deposited in N. Y. and Erie Bank, $5000;* Bills Receivable as follows: Note of A. M. Clapp's, favor of J. C. Bryant, dated July 1, at 6 mo's, with interest @ 7% from date, $500; Wm. T. Bush's accepted draft, drawn by H. Newell, Nov. 1, 1880, @ 90 d's, for $1500;† Personal Accounts, viz.: Robert Vail, $175; Henry Gray, $280; J. Pinner, $300; Cash, $259.58.

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* If it is deemed proper to keep a Bank account in the Ledger, it will, of course, be subject to the same conditions as any personal account.

† In determining the investment, it is necessary to reckon these notes at their *real* value; hence, the former ($500) having already been on interest 4 months, is worth its face and the interest to date; while the latter ($1500), being drawn

PRACTICAL EXERCISES.

E. R. Felton Invests:

Cash, $1500; Tools, Implements and Materials, $1000; Unfinished Contract with Smith and Sons—present value, $5000.*

Nov. 2.—Received from Smith & Sons, cash on %, $1750. - - - - - Deposited the same in N. Y. & E. Bank.

3.—Paid laborers cash, as per Receipt-Book, $375. - - - - - Paid petty expenses, as per Expense-Book, $10.75.

4.—Bo't horse and dray for use of business, for which gave check on N. Y. & E. Bank, $250. - - - - - Contracted with A. H. Tracy to build for him on Delaware Street, a brick residence; amount of contract, $15000; received cash in advance, as per agreement, $5000. - - - - - Deposited the same in bank.†

5.—Paid plumber's bill on Smith & Sons' house, per check, $375. - - - - - Paid masons and laborers on Smith & Sons' house, per check, $150.

6.—Finished small job for J. C. Gansevoort, on South Division Street, for which he owes us $540.64.

7.—Received cash of J. C. Gansevoort on %, $300.

9.—Entered into contract with Millard Fillmore, to build for him a cottage on Niagara Street, for $9000; received cash on contract, $1000.

10.—Paid cash to C. Kohler for 100 M. pressed brick, at $11 per M. - - - - - Bo't of Seth Pierce, Lockport, on %, 20 bbls. cement, @ $1.50.

12.—Paid Dean Richmond's draft on W. P. Spencer, per check, $500. - - - - - Paid carpenter's bill on Smith & Sons' house, per check, $1500.

13.—Finished Smith & Sons' contract, and delivered them the keys of the house. Rendered bill for the same, as per contract, $7500, which was accepted.‡

15.—Paid laborers and masons cash, as per Receipt-Book, $475. - - - - - Paid cash for sundry expenses, as per Expense-Book, $25.

18.—Received of Smith & Sons, note @ 60 days, to balance %, $5750.

20.—Received cash for small jobs this week, $400.

21.—Received cash of J. Pinner on %, $150; also of Henry Gray, in full of %, $280.

22.—Paid laborers, per Receipt-Book, cash, $500. - - - - - Paid sundry expenses in cash, as per Cash-Book, $35.

25.—Paid E. R. Felton cash, on %, $500. - - - - - Finished job of repairing outhouse for Jacob Van Brunt, for which he owes us, as per bill of items, $175.

28.—Paid cash to laborers in full to date, $378.50.

30.—Paid office rent in cash, $50. - - - - - Paid Book-keeper to date, per check, $125.

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without interest, is worth its face, less the current rate of interest for 90 days—the date of its maturity. (The rate of interest fixed in this Set—7%—was the legal rate in the State when these transactions were prepared.) Therefore, in giving Mr. Spencer credit for his investment, we will estimate the value of the first note at its face, $500, *plus* the interest on $500 for 4 mo's, @ 7%, $11.67, making in all $511.67; and the second, at its face, $1500, *minus* the interest on $1500 for 90 days, @ 7%, $26.25, making $1473.75. In the Single Entry Set it will be necessary only to credit Mr. Spencer with these real values, and enter the notes in the Bill-Book. In Double Entry it will be proper also to open accounts with Interest Receivable and Interest Payable, representing the two amounts, which should be arranged under those titles.

* It is customary, in business of this kind, to enter into written contract with the parties for whom work is to be performed, and either receive pay by fixed instalments, or at the completion of the contract. In all such cases, it would be eminently proper to keep a book containing a transcript of such agreements, and a separate account with each job. This is often done, even where the books are kept by Single Entry. The estimated value of this "Unfinished Contract" is, of course, based upon the actual labor performed, and not paid for, and the approximate gain thus far realized. The anticipated gain in the farther completion of the work should, of right, be shared by the partners, the same as gains accruing from new contracts.

† It would not, of course, be proper to charge Mr. Tracy, directly, with the amount of this contract, as the work is not yet completed. We should, however, credit him on account for the $5000 advanced.

‡ Smith & Sons now owe us $7500, less what they have paid on %, and with which they have already been credited. It is therefore proper to charge them this amount.

Dissolution of Copartnership.

The copartnership heretofore existing between W. P. Spencer and E. R. Felton is this day dissolved by mutual consent, Mr. Spencer retiring from the firm. The conditions of the dissolution are, that the retiring partner shall receive for his interest (as shown by his account after being credited with his share of the gain) one-half cash, and one-half note, payable in six months, with interest from date.

The Resources and Liabilities of the concern at this time are as follows:

Resources.			*Liabilities.*		
Cash on hand, per C. B.	440	33	Balance due on personal accounts	6030	
Balance in Bank	8850		Interest for unexpired time on Bush's acceptance . $17.50		
Notes on hand	7750		Do. on Smith & Sons' note . 53.67		
Interest due on same	14	58		71	17*
Balance due on personal accounts	740	64	W. P. Spencer, net investment . 7500		
Horse and Dray	250		Int. on same . 44.92†		
Tools and Implements	1000			7544	92
Valuation of unfinished contracts	3500		E. R. Felton's net inv. 7000		
			Int. on same . 43.26		
				7043	26
			Total net gain	1856	20
			W. P. Spencer's $\frac{6}{10}$. 1113.72		
			E R. Felton's $\frac{4}{10}$. 742.48		
	22545	55		22545	55

From the above schedule we are enabled to arrive at the exact amount of Mr. Spencer's present interest in the concern, which is the interest to be purchased. The partners should now be credited each with the interest on his average capital, and also his share of the gain. When this is done, the individual accounts will show their separate interests in the concern.

The business will now be continued, in the same books, under the sole proprietorship of Mr. Felton.

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* It may not be strictly true that the concern *owes* this amount of interest; and yet, should we desire to get the two notes cashed, or to receive their net value in any other commodity, we should be obliged to abate thus much from their face. In other words, we have estimated the notes as resources at *more* than their present value (for the purpose of expressing the value written upon them), and we must now offset this excess of resources by a corresponding liability. The same effect could have been wrought by reckoning the notes at their *real* value. The present form would be essential in a statement drawn from a Double Entry Ledger, where notes, either receivable or payable, are always reckoned at their *written* value.

† According to the partnership contract, each partner is to receive interest on his "*average* investment." As the method of ascertaining the average capital is more fully explained in its appropriate place, we will only say, in this connection, that the most simple and direct method of obtaining this result is to reckon interest on all sums invested from the date of investment to the date of settlement, from which deduct the interest on all sums withdrawn from the date of withdrawal to that of settlement. The *difference* will be the interest on the average investment.

Memoranda—Individual Books.

Dec. 1, 1880.—E. R. Felton has this day purchased the interest of his former partner, W. P. Spencer, in the concern of "Felton and Spencer," and proposes to continue the business in his own name. Paid for the same, check on N. Y. & E. Bank, $4329.32; note @ 6 mos., with interest from date, $4329.32.

2.—Received cash in full for principal and interest on A. M. Clapp's note, due Jan. 1, 1881: note, $500; interest to date, $14.58.

3.—Paid cash for tinman's bill, for roof and leaders on Mr. Fillmore's cottage, $150. - - - - - Paid Charles Ely's bill in cash, for sills and lintels for A. H. Tracy's cellar, $50.

5.—Paid workmen to date in cash, $438.50.

6.—Completed job for S. G. Haven, as per bill of items, for which he owes $430.

7.—Paid cash for ton of hay, $20; and for 50 bushels oats, @ 75¢, $37.50.

9.—Bo't of Jacob Van Brunt, on %, 10000 feet pine lumber, @ 15¢, $1500.

10.—Rec'd cash for job of mason-work, done for Peter Greiner, $125.

12.—Paid workmen to date, per check, $1475.

15.—Finished job of mason-work for Urial Driggs, Tonawanda, for which he owes $275.

20.—Completed contract with Millard Fillmore, and rendered him bill for the same, $9000.

22.—Paid laborers' wages, per check, to date, $1450.

23.—Passed our note, @ 60 d's, to Merritt Crandell, for bill of lumber to date, $3000.

25.—Received cash of Urial Driggs, in full of %, $275.

26.—Received cash of J. C. Gansevoort, in full of %, $240.64.

27.—Paid workmen in full to date, per check, $563.

30.—Paid sundry expenses in cash, as per Expense-Book, $175.

Changing to Double Entry.

Mr. Felton now proposes to change his books to Double Entry, preparatory to which he makes the following statement of the condition of his business:*

Resources.			*Liabilities.*		
Cash on hand, per C. B. - -	724	55	Due on personal accounts -	6355	
Balance in Bank - - - - -	1032	68	" notes - - - - - -	7329	32
Tools and Implements - - -	1000		E. R. Felton, net investment -	7785	74
Notes on hand - - - - - -	7250		" net gain - - -	1542	17
Due on personal accounts - -	8755				
Horse and Dray - - - - -	250				
Value of unfinished contracts -	4000				
	23012	23		23012	23

The student is requested to enter up these accounts in the Ledger, according to the examples given in the previous Set, and to continue the business in Double Entry form, for one month, originating his own transactions, and closing his Ledger at the end of the month, according to the principles of Double Entry.

* It will be evident, from these frequent statements, that just as often as it is necessary, for any purpose, to know the exact condition of the business, the account or accounts representing the capital—usually called Stock Account, or Partners' Accounts—must be made to agree with the difference between the resources and liabilities. In Double Entry books this is done by carrying to these accounts the result of the Business accounts, which is the net gain or loss. As there are no such accounts in Single Entry, the same object is attained by taking the difference between the capital at commencing and at closing, which must, of course, be the net gain or loss. Any statement showing resources and liabilities will afford all the necessary material for Double Entry books, or for any purposes of negotiation where partners' interests are concerned.

FARM ACCOUNTS:

INCLUDING

PRACTICAL FORM OF JOURNAL

AND

OTHER NEW FEATURES.

FARM ACCOUNTS.

It is not presumed that many farmers will adopt the forms of this set in keeping a record of their business; in fact, it is not presumed that *many* farmers will keep much of a record of any sort. We have selected the transactions of farming to illustrate a few new features, both from the variety afforded in the transactions, and to enforce the importance of financial record even in business least requiring it. The new features in this set are the Columnar Journal, which contains all the transactions and affords a preliminary classification, which will be found very convenient in many kinds of business, and the subdivision of the earning force represented by "Farm" account. The latter feature is a very suggestive one, and will be found applicable to many kinds of business—particularly to Manufacturing, where it is, to some extent, adopted.

The use of the Columnar or "Six Column" Journal enables the accountant to do away with auxiliary books, especially the Cash-Book, as all the cash items are classified in the first record. The idea of separate columns in the Journal may be extended to suit the exigencies of the business. Oftentimes as many as ten or twelve columns are used. The main advantages are that it saves posting, and affords a better view of the business at a glance.

MEMORANDUM CASH BOOK.

The form of Cash Book here given is convenient, and on that account commended to those who are not in the habit of handling much cash. It is always well to keep track of cash receipts and disbursements in some way, however unimportant the items may be, and this form is suggested as one adapted to general use. A small pocket memorandum book, such as all stationers keep, is sufficient for this purpose, and the writing may be done either with pencil or ink. It should be carried *constantly*, that no excuse may exist for omitting the entry of receipts and disbursements of cash, which should always be entered *at the time*. The balancing may be done daily or weekly, as most convenient.

Riverdale Farm, March 1, 1880.

					Rec'd.		Paid.	
Mar.	1	Amount on hand			120			
	1	Received for 10 lbs. Butter, $2; 10 doz. Eggs, $2			4			
	5	Paid for Johnny's Boots, $3; Cap for Harry, 75¢					3	75
	6	Sold 10 bushels Wheat, @ $1.50			15			
	6	Paid for set of Harrow Teeth, $3; Shoeing Horse, $1.50					4	50
	7	Paid G. F. Wright & Co.'s Grocery Bill					17	50
	10	Paid hired man for services to date, as per receipt					10	
	10	Received for 15 bushels Potatoes at $1		154.00 35.75	15			
		Balance on hand		118.25				
	12	Sold 2 year old Colt to L. S. Bliss, for			125			
	13	Paid premium for Insurance on Farm Buildings					12	50
	15	Paid Mrs. M. for household expenses					5	
	16	Sold C. S. Clark & Co. 20 bushels Oats, @ 75¢		258.25	15			
	17	Shoes for Netty, $1.25; Toys for Harry, 50¢		19.25			1	75
		Balance on hand		239.00				
	19	Paid for one year's subscription to Hampshire Gazette					1	50
	19	" yearly contribution to Poor Fund, $25; Pew Rent, 1 quarter, $5					30	
	20	" Dr. Jones for filling Teeth, $5; Bridgman & Childs, for Books, $1					6	
	23	Sold Hillman & Graves 10 Sheep, for		261.00	20			
	24	Received for Poultry sent to market		37.50	2			
		Balance on hand		223.50				
	26	Deposited in Holyoke Bank					150	
	27	Received for Butter, $4; Cheese, $2.50; Apples, $3.75			10	25		
	29	Paid for repairing Implements		233.75			3	25
	31	" Charles Jones for painting House		178.25			25	
		Balance on hand		55.50			*55*	*50*
					326	25	326	25

TRANSACTIONS.

Riverdale Farm, Northampton, March 1, 1880.

The following list embraces the real and personal property and debts of William Mitchell, farmer, sole proprietor of "Riverdale Farm," in the town of Northampton, Mass.

RESOURCES.

75 acres cultivated land, @ *$300;* 10 do. woods pasture, @ *$350;* dwelling-house, out-buildings, and improvements, *$2500;* 2 carriage horses, *$400;* 2 work horses, *$275;* 1 colt, *$100;* 3 milch cows, *$100;* 1 yoke oxen, *$125;* 10 hogs, *$75;* 30 sheep, *$50;* 2 calves, *$5;* 50 chickens, *$10;* 6 turkeys, *$5;* 10 geese, *$6;* farming utensils, *$250;* 1 family carriage, *$200;* household furniture, *$600;* 200 bushels wheat, *$350;* 500 do. corn, *$375;* 125 do. oats, *$110;* 10 tons hay, *$120;* 50 bushels potatoes, *$37.50;* feed, *$25;* 50 shares Connecticut River R. R. Stock, *$5000;* cash in hand, *$120;* do. deposited in Holyoke Bank, *$1200.*

LIABILITIES.

Mortgage on farm, due in five years, from January 1, 1879, with annual interest @ 6%, *$4000;* interest unpaid to date, on same, *$40;* Due Samuel Hill on %, *$75.*

"

Bought of Lewis H. Bartlett, on %, 1 two-horse wagon, for *$75;* Sold for cash, 10 lbs. butter, *$2;* 10 doz. eggs, *$2.*

4

Bought of Jonathan Dawes, 10 head of stock cattle for feeding and grazing, for *$650;* Paid him check on Holyoke Bank, *$300;* note @ 30 ds. for balance.

5

Paid cash for the following articles: boots for Johnny, *$3;* cap for Harry, *75¢.*

6

Sold James Banks for cash, 10 bushels wheat, @ $1.50, *$15;* Paid cash for set of harrow teeth, *$3;* shoeing horse, *$1.50.*

7

Paid cash for G. F. Wright's grocery bill, *$17.50.*

10

Paid hired man cash for services to date, as per receipt, *$10;* Sold for cash, 15 bushels potatoes, @ $1, *$15.*

12

Sold L. S. Bliss, Hatfield, 2 year old colt, for *$125* cash.

13

Paid cash for premium, insurance on farm buildings, *$12.50.*

15

Paid Mrs. Mitchell cash for household expenses, *$5.*

16

Sold C. S. Clark & Co., for cash, 20 bushels oats, @ 75¢, *$15.*

17

Paid cash for shoes and toys for children, *$1.75;* Bought of S. C. Parsons, on %, ½ ton Peruvian guano, for *$30.*

Riverdale Farm, Northampton, March 19, 1880.

Paid one year's subscription to Hampshire Gazette, in cash, *$1.50;* yearly contribution to poor fund, *$25;* pew rent, 1 quarter, *$5.*

20

Paid Dr. Jones cash for filling teeth, *$5;* also to Bridgman & Childs, for books, *$1.*

23

Sold Hillman & Graves, for cash, 10 sheep, @ $2, *$20.*

24

Received cash for poultry sent to market, *$2.*

26

Deposited in Holyoke Bank, cash, *$150.*

27

Received cash for butter, cheese, and eggs, *$10.25.*

29

Paid E. L. Kingsley cash for repairing farm implements, *$3.25.*

31

Paid Charles Jones cash for painting house, *$25.*

April 1

Received cash for marketing, as follows: 25 lbs. butter, @ 25¢, *$6.25;* 10 bush. potatoes, @ $1 *&c.*

13

Paid Theo. Rust cash for 1 ton plaster, *$8.*

25

Paid cash for winter's school bill, books, &c., *$17.50.*

26

Bought of James Hubbard, on %, 32 bushels of oats for seed, @ 60¢, *$19.20.*

30

Paid hired hands in full to date, *$40.*

May 1

Received cash for dividend on Ct. Riv. R. R. Stock, 5% on $5000, *$250.*

15

Paid cash for 1 new plow, *$10;* For repairing old plow, *$3.*

25

Exchanged horses with E. T. Wood; Paid difference in cash, *$25.*

June 1

Paid hired hands to date, cash, *$55.*

15

Bought for our own use, 1 rosewood piano, for *$275;* paid for the same, check on Holyoke Bank, *$75;* note @ 6 mos. for balance.

July 1

Paid hired hands to date, *$60.*

5

Sold, for cash, 3 bushels cherries, @ $4, *$12;* 6 do. currants, @ $1, *$6.*

Riverdale Farm, Northampton, July 10, 1880.

Paid cash for groceries, *$4.75;* dress pattern, *$8;* Stoddard & Lincoln's bill for dry goods, *$17.50.*

20

Finished cutting and harvesting hay, which has been estimated at 57½ tons, worth, on an average, $10 per ton, *$575.**

25

Bought of Henry Claghorn, for cash, 2 Berkshire pigs, *$15.*

30

Sold for cash, 3 hogs, *$25;* 4 lambs, *$10;* 2 calves, *$4.*

31

Paid cash to hired hands, *$37.50.*

Aug. 1

Received cash of Benjamin Claghorn, in full of the rental of 10-acre lot, as per contract, *$200.*

5

Received cash for pasturage, to date, *$175.*

10

Sold Graves Bros., Florence, 10 tons hay, @ $11, *$110;* received cash, *$50;* balance on *%.*

20

Finished threshing grain, and have put in bins, as the result, 250 bushels wheat, worth $1.50 per bushel, *$375;* 300 do. oats, @ 75¢, *$225;* 50 do. rye, @ 60¢, *$30.*

30

Paid hired hands cash, to date, *$50.*

Sept. 5

Sold for cash, 30 bushels wheat, @ $1.63, *$48.90.*

10

Finished harvesting potatoes, the result of which is, that we have in cellar 75 bushels, worth 75¢ per bushel, *$56.25.*

15

Sold for cash, 20 bushels potatoes, @ 87½¢, *$17.50.*

30

Gathered from orchard, 100 bushels apples, worth 50¢ per bushel, *$50.*

Oct. 5

Sold for cash, the following produce: 200 bushels wheat, @ $1.50, *$300;* 300 do. corn, @ 75¢, *$225.* 40 do. potatoes, @ $1, *$40;* 35 do. apples, @ 50¢, *$17.50.*

10

Paid hired hands to date, cash, *$75.*

15

Received cash for pasturing 15 head of cattle, *$75;* 10 horses, *$60.*

* Should we keep but one general producing account for the farm, this entry could not properly be made in the Journal, as it would necessitate both a debit and a credit to that one account, inasmuch as there has been nothing disposed of, and, consequently, nothing actually produced. If, however, we desire to keep up the distinctions between the different subdivisions of the general account, as in the Ledger form given, the entry in this case will be: "Produce" Dr. to "Real Estate," as each of the subdivisions should show its cost and proceeds, the same as a general account.

Riverdale Farm, Northampton, Oct. 18, 1880.

Paid Samuel Hill, Jr., cash, in full of %, *$75.*

21

Paid cash in full for note, favor Jonathan Dawes, due April 6. Face of note, *$350;* Interest to date, *$11.37.*

25

Sold Thayer & Sergeant, 4 fat cattle, for *$350*, cash.

28

Sold Alvan N. Claghorn, on %, 5 tons hay, @ $10 per ton.

30

From inventory taken, we are prepared to estimate the amount consumed by family and live stock since March 1, which is as follows: FAMILY EXPENSES—Mutton, *$15;* pork, *$17;* poultry, *$18;* eggs and milk, *$10;* flour, *$40;* potatoes, *$10.* LIVE STOCK—Corn, *$75;* hay, *$75;* feed, *$50;* oats, *$37.*

31

Upon careful estimation, the apportionment of expense, as charged in the "Expense" account (*$329**), should be as follows: To real estate, *$164.50;* live stock, *$82.25;* produce, *$82.25.*

SIX-COLUMN JOURNAL.

THE characteristics of the practical Journal here introduced will be apparent. Its advantages may be briefly stated, as follows:

First—A vast saving of time and space in posting.

Second—Embracing the principles of *four* books in *one*, viz.: Cash-Book, Invoice-Book, Sales-Book and Journal.†

Third—Showing monthly totals of the principal accounts in the Ledger that the same may be compared year after year.

Fourth—Affording an opportunity to post personal accounts immediately, the corresponding debits and credits appearing separately in the "Sundries" column.

Fifth—Giving additional security of the correctness of the Ledger, there existing no probability of omitting debits and credits of the same amount.

Want of space will prevent the giving of more than one month's transactions through this form. The student is requested to write up the remainder as given in the memoranda, putting the months of April, May, June and July together as one month, and August, September and October as one.

The method of posting from this Journal is extremely simple. The separate items in the "Sundries" column are posted the same as from the common Journal, while the *amounts* of the "Cash" and "Farm" columns are posted at the close of each month.

This idea of special columns is *not* original with any modern author, but has been in use, to a greater or less extent, for the past fifty years. The principle can be carried to any desirable extent; and in some jobbing-houses as many as *eight* special debit and credit columns are used. The form given in this connection is sufficient to indicate the principle.

* Paid for services and horse-shoeing.

† This is the case when the form is used in a general merchandise business: in which case the *special* columns, debit and credit, would be "Cash" and "Mdse."

FARMING SET.—JOURNAL.

RIVERDALE FARM, March 1, 1880.

Drs. *Crs.*

Farm.		Cash.		Sundries.		L. F.		L. F.	Sundries.		Cash.		Farm.	
							Sundries - - - - - - - - Dr. To Stock - - - - -		38038	50				
							Amount invested as follows:							
28500							Real Estate - - - - 75 acres Cultivated Land, @ $300 - $22500							
							10 acres Woods Pasture, @ $350 - 3500							
							Dwelling-house, Out-buildings, and Improvements - - - - 2500							
1151							Live Stock - - - - 5 Horses, viz.: 2 Carriage Horses, $400; 2 Work Horses, $275;							
							1 Colt, $100 - - - - - 775							
							3 Milch Cows, $100; 1 Yoke Oxen, $125 - - - - - - - 225							
							10 Hogs, $75; 30 Sheep, $50; 2 Calves, $5 - - - - - 130							
							50 Chickens, $10; 6 Turkeys, $5; 10 Geese, $6 - - - - - 21							
1050							Fixtures & Implements Farming Utensils - - - - - 250							
							1 Family Carriage - - - - - 200							
							Household Furniture - - - - 600							
1017	50						Produce - - - - - 200 bush. Wheat, $350; 500 do. Corn, $375 - - - - - 725							
							125 bush. Oats, $110; 10 tons Hay, $120 - - - - - - - 230							
							50 bush. Potatoes, $37.50; Feed, $25 - - - - - - - 62.50							
				5000			C. R. R. R. Stock - - 50 Shares, $100 each - - - - - - -							
		120					Cash - - - - - - - Amount on hand - - - - - - - -							
				1200			Holyoke Bank - - - On Deposit - - - - - - - - -							
31718	50	120		6200			- - - - - - - - - Amounts forward - - - - - - - -		38038	50				

31718	50	120		6200		- - - - - - - - - Amounts forward - - - - - - - - -		38038	50				
						"							
				4115		STOCK - - - - - - - - - Dr. To SUNDRIES - - - -		*					
						Liabilities as follows:							
						To MORTGAGE PAYABLE Amount of Mortgage, given Jan. 1, 1879, due in 5 yrs., with annual interest @ 6% -		4000					
						To INTEREST PAYABLE - Interest on same to date - - - - - - -		40					
						S. HILL, JR. - - - Due him on % - - - - - - - - - -		75					
						"							
75						FIXTURES & IMPLEMENTS - - Dr. To LEWIS H. BARTLETT		75					
						Bought of him on % 1 Two-horse Wagon.							
						"							
		4				CASH - - - - - - - - - - Dr. To LIVE STOCK - - -							4
						10 lbs. Butter, $2; 10 doz. Eggs, $2.							
						4							
650						LIVE STOCK - - - - - - - Dr. To SUNDRIES - - - -							
						Bought of Jonathan Dawes 10 head Stock Cattle.							
						To HOLYOKE BANK - - Check in part payment - - - - - -		300					
						BILLS PAYABLE - - Note @ 30 days - - - - - - - - -		350					
						5							
				3	75	FAMILY EXPENSES - - - - Dr. To CASH - - - - -					3	75	
						Boots for Johnny, $3; Cap for Harry, 75¢.							
						6							
		15				CASH - - - - - - - - - - Dr. To PRODUCE - - - -							15
						Sold James Banks 10 bushels Wheat, @ $1.50.							
						"							
						SUNDRIES - - - - - - - Dr. To CASH - - - - -					4	50	
				1	50	EXPENSE - - - - - - Shoeing Horse - - - - - - - - -							
3						FIXTURES & IMPLEMENTS Set of Harrow Teeth - - - - - - -							
32446	50	139		10320	25	- - - - - - - - - Amounts forward - - - - - - - - -		42878	50		8	25	19

FARMING SET.—JOURNAL.

RIVERDALE FARM, March 6, 1880.

Drs. *Crs.*

Farm.	Cash.	Sundries.	L. F.		L. F.	Sundries.	Cash.	Farm.
32446 50	139	10320 25		- - - - - - - - - Amounts forward - - - - - - - - -		42878 50	8 25	19
		17 50		Family Expenses - - - - Dr. To Cash - - - - - - G. F. Wright's Grocery Bill.			17 50	
		10		*10* Expense - - - - - - - - - Dr. To Cash - - - - - Paid hired man to date.			10	
	15			*"* Cash - - - - - - - - - - Dr. To Produce - - - - Sold 15 bushels potatoes @ $1.				15
	125			*12* Cash - - - - - - - - Dr. To Live Stock - - - Sold L. S. Bliss, Hatfield, 2 year old Colt.				125
12 50				*13* Real Estate - - - - - - - Dr. To Cash - - - - - - Paid Insurance Premium on buildings.			12 50	
		5		*15* Family Expenses - - - - Dr. To Cash - - - - - - Paid Mrs. Mitchell.			5	
	15			*16* Cash - - - - - - - - - - Dr. To Produce - - - - Sold C. S. Clark 20 bushels Oats @ 75¢.				15
32459	294	10352 75		- - - - - - - - - Amounts forward - - - - - - - - -		42878 50	53 25	174

32459		294		10352	75		- - - - - - - - - Amounts forward - - - - - - - - -		42878	50	53	25	174		
							17										
				1	75		FAMILY EXPENSES - - - - Dr. To CASH - - - - - -				1	75					
							Shoes and Toys for children.										
							"										
30							PRODUCE - - - - - - - - Dr. To S. C. PARSONS - -		30								
							Bought of him on % ⅓ ton Peruvian Guano.										
							19										
				31	50		FAMILY EXPENSES - - - - Dr. To CASH - - - - - -				31	50					
							1 year's subscription Hampshire Gazette - - - -	$ 1 50									
							Contribution to Poor Fund - - - - - - - - -	25									
							1 quarter's Pew Rent - - - - - - - - - - -	5									
							20										
				6			FAMILY EXPENSES - - - - Dr. To CASH - - - - - -				6						
							Dr. Jones, filling teeth - - - - - - - - - - -	$5									
							Bridgman & Childs' School-books - - - - - - - -	1									
							23										
		20					CASH - - - - - - - - - Dr. To LIVE STOCK - - -							20			
							Sold Hillman & Graves 10 Sheep @ $2.										
							24										
		2					CASH - - - - - - - - - Dr. To LIVE STOCK - - -							2			
							Received for Poultry sent to market.										
							26										
				150			HOLYOKE BANK - - - - - Dr. To CASH - - - - - -				150						
							Deposited.										
							27										
		10	25				CASH - - - - - - - - - Dr. To LIVE STOCK - - -							10	25		
							Received for Butter, Cheese, and Eggs.										
							29										
3	25						FIXTURES & IMPLEMENTS - - Dr. To CASH - - - - -				3	25					
							Paid E. L. Kingsley for repairing.										
32492	25	326	25	10542			- - - - - - - - - Amounts forward - - - - - - - - -		42908	50	245	75	206	25			

FARMING SET.—JOURNAL.

RIVERDALE FARM, March 31, 1880.

Drs. *Crs.*

Farm.		Cash.		Sundries.		L. F.		L. F.	Sundries.		Cash.		Farm.	
32492	25	326	25	10542			- - - - - - - - - Amounts forward - - - - - -		42908	50	245	75	206	25
25											25			
							Real Estate - - - - - - - Dr. To Cash - - - - - -							
							Paid Charles Jones for painting house.							
32517	25	326	25	10542			Total for the Month.		42908	50	270	75	206	25
				326	25		*Dr.* - - - - - - - - Cash - - - - - - - - *Cr.*		270	75				
				32517	25		*Dr.* - - - - - - - - Farm - - - - - - - - *Cr.*		206	25				
				43385	50				43385	50				
							Subdivision.—Farm Account.							
				28537	50		*Dr.* - - - - - Real Estate - - - - - - - - *Cr.*							
				1801			- - - - - - - - Live Stock - - - - - - - - - - - -		161	25				
				1131	25		- - - - - - - Fixtures and Implements - - - -							
				1047	50		- - - - - - - - Produce - - - - - - - - - -		45					
				32517	25				206	25				

SUGGESTED FORM OF PRINCIPAL ACCOUNT.

FARM.

1880			Real Estate.		Live Stock.		Fixtures and Implements.		Produce.		Total.		1880			Real Estate.		Live Stock.		Fixtures and Implements.		Produce.		Total.	
Mar.	31	Monthly Footing	28537	50	1801		1131	25	1047	50	32517	25	Mar.	31	Monthly Footing			161	25			45		206	25
July	31	" "	8		40		238		594	20	1105	20	July	31	" "	575		45	25			28		823	25
Oct.	31	" "	164	50	319	25			818	50	1127	25	Oct.	31	" "	1246	25	410				1095	90	2577	15
		To Loss & Gain -	*1611*	*25*	*274*	*25*			*245*	*95*	*2111*	*45*			*By Balance - -*	*28500*		*1798*		*1325*		*1537*	*25*	*33160*	*25*
															Loss & Gain -					*94*	*25*			*94*	*25*
			30321	25	2414	50	1419	25	2706	15	36861	15				30321	25	2414	50	1419	25	2706	15	36861	15
		To Balance - -	28500		1798		1325		1537	25	33160	25												

FARM SET.—STATEMENT.

TRIAL BALANCE.

Balances.					Face of Ledger.			
		33923	50	Stock	4115		38038	50
4750				Ct. R. R. R. Stock	5000		250	
975				Holyoke Bank	1350		375	
		4000		Mortgage Payable			4000	
		40		Interest Payable			40	
		75		L. H. Bartlett			75	
		200		Bills Payable	350		550	
223	25			Family Expense	223	25		
		30		S. C. Parsons			30	
1075	03			Cash	2208	40	1133	37
50				A. N. Claghorn	50			
31143	05			Farm	34749	70	3606	65
		19	20	J. A. Hubbard			19	20
60				Graves Brothers	60			
11	37			Interest	11	37		
38287	70	38287	70		48117	72	48117	72

INVENTORY.

Real Estate	85 acres Land, valued at	26000			
	Dwelling-House and Improvements	2500		28500	
Live Stock	4 Horses, $700; 3 cows, $100	800			
	1 yoke Oxen, $125; 5 Hogs, $40	165			
	12 Sheep, $20; 16 Lambs, $18	38			
	2 Calves, $20; Poultry, $25	45			
	10 head Stock Cattle	750		1798	
Fixtures & Implements	Farming Utensils	250			
	1 Family Carriage, $200; 1 two-horse Wagon, $75	275			
	Household Furniture	800		1325	
Produce	220 bush. Wheat @ $1.50	330			
	162 " Corn " 75	121	50		
	355 " Oats " 75	266	25		
	50 " Rye " 60	30			
	25 " Potatoes " 80	20			
	65 " Apples " 50	32	50		
	50 tons Hay " 14.74	737		1537	25
				33160	25
Ct. River R. R. Stock				5000	
Interest due to date on Mortgage Payable				200	

STATEMENT.

The following form of Statement has the quality of brevity and plainness; and though less satisfactory in detail than previous forms, it will sufficiently indicate the condition of the business on the date of rendering the Trial Balance and Inventory.

	Losses.		Gains.		Resources.		Liabilities.	
Ct. River R. R. Stock			250		5000			
Holyoke Bank					975			
Bills Receivable					350			
Mortgage Payable							4000	
Interest Payable	160						200	
L. H. Bartlett							75	
Bills Payable							550	
Family Expense	223	25						
S. C. Parsons							30	
Cash					1075	03		
A. N. Claghorn					50			
Farm			2017	20	33160	25		
J. A. Hubbard							19	20
Graves Brothers					60			
Interest	11	37						
Net Gain	*1872*	*58*						
	2267	20	2267	20				
Stock Investment					$33923	50		
Net Gain					1872	58		
Present Interest							35796	08
					40670	28	40670	28

PRACTICAL HINTS FOR FARMERS.

1.—Measuring Grain.

By the United States standard, 2150 cubic inches make a bushel. Now, as a cubic foot contains 1728 cubic inches, a bushel is to a cubic foot as 2150 to 1728; or, for practical purposes, as 5 to 4. Therefore, to convert cubic feet to bushels, it is necessary only to multiply by $\frac{4}{5}$.

Example.—How much grain will a bin hold which is 10 feet long, 4 feet wide, and 4 feet deep?

Solution.—$10 \times 4 \times 4 = 160$ cubic feet. $160 \times \frac{4}{5} = 128$, the number of bushels.

PRACTICAL HINTS FOR FARMERS.

To measure grain on the floor.

Make the pile in form of a pyramid or cone, and multiply the area of the base by one-third the height. To find the area of the base, multiply the square of its diameter by the decimal .7854.

EXAMPLE.—A conical pile of grain is 8 feet in diameter, and 4 feet high; how many bushels does it contain?

Solution.— The square of 8 is 64; and $64 \times .7854 \times \frac{4}{3} = 83.776$, the number of cubic feet Therefore,

$$83.776 \times \frac{4}{5} = 67.02 \text{ bushels.} \quad \textit{Answer.}$$

2.—TO ASCERTAIN THE QUANTITY OF LUMBER IN A LOG.

Multiply the diameter in *inches* at the small end by one-half the number of inches, and this product by the length of the log in *feet*, which last product divide by 12.

EXAMPLE.— How many feet of lumber can be made from a log which is 36 inches in diameter and 10 feet long?

Solution.—$36 \times 18 = 648$; $648 \times 10 = 6480$; $6480 \div 12 = 540$. *Answer.*

3.—TO ASCERTAIN THE CAPACITY OF A CISTERN OR WELL.

Multiply the square of the diameter in inches by the decimal .7854, and this product by the depth in inches; divide this product by 231, and the quotient will be the contents in gallons.

EXAMPLE.—What is the capacity of a cistern which is 12 feet deep and 6 feet in diameter?

Solution.—The square of 72, the diameter in inches, is 5184; $5184 \times .7854 = 4071.51$; $4071.51 \times 144 = 586297.44$, the number of cubic inches in the cistern. There are 231 cubic inches in a gallon; therefore, $586297.44 \div 231 = 2538 +$, gallons. To reduce the number of gallons to barrels, divide by $31\frac{1}{2}$.

4.—TO ASCERTAIN THE WEIGHT OF CATTLE BY MEASUREMENT.

Multiply the girth in feet by the distance from the bone of the tail immediately over the hinder part of the buttock to the fore part of the shoulder-blade, and this product by 31, when the animal measures *more than 7 and less than 9 feet in girth;* by 23, when *less than 7 and more than 5*; by 16, when *less than 5 and more than 3*; and by 11, when *less than 3*.

EXAMPLE.—What is the weight of an ox whose measurements are as follows; girth, 7 feet 5 inches; length, 5 feet 6 inches?

Solution.—$5\frac{1}{2} \times 7\frac{5}{12} = 40\frac{5}{24}$; $40\frac{5}{24} \times 31 = 1264 +$. *Answer.*

A deduction of one pound in 20 must be made for half-fatted cattle, and also for cows that have had calves. It is understood, of course, that such standard will, at best, give only the *approximate* weight.

5.—MEASURING LAND.

To find the number of acres of land in a rectangular field, multiply the length by the breadth, and divide the product by 160, if the measurement is made in rods, or by 43560 if made in feet.

EXAMPLE.—How many acres in a field which is 100 rods in length, by 75 rods in width?

Solution.—$100 \times 75 = 7500$; $7500 \div 160 = 46\frac{7}{8}$. *Answer.*

To find the contents of a triangular piece of land, having a rectangular corner, multiply the two shorter sides together, and take one-half the product.

QUESTIONS FOR REVIEW.

Changing Single to Double Entry.—Page 134.

1. Are the terms "Single Entry" and "Double Entry" fortunately chosen?—*2.* Why not?—*3.* Is Single Entry in use to any considerable extent?—*4.* Can it be used to advantage as compared with Double Entry?—*5.* Does Single Entry cause less writing?—*6.* Is Double Entry more intricate than Single Entry?—*7.* In what does the difference really consist?—*8.* What can be said of the comparative amount and quality of information conveyed by the two systems?—*9.* In what sense is Double Entry a system of equations?—*10.* Of what do the equations consist?—*11.* Draw the line between Double and Single Entry as to the final showing on the Ledger.—*12.* What difference between the two methods as to unsold property?—*13.* Does the Single Entry Ledger, as far as it goes, differ from the Double Entry Ledger?—*14.* What additions to the Single Entry Ledger are necessary to constitute it a Double Entry Ledger?—*15.* What as to the form of the original entry in the two methods?—*16.* How is the fact of a gain or loss ascertained in Single Entry?—*17.* Can the separate gains and losses be traced through this method?—*18.* What are the usual books in Single Entry?

Farm Accounts.—Page 152.

19. What are the peculiarities of this set?—*20.* What are the subdivisions of the Farm Account?—*21.* What are the advantages of the Columnar Journal?—*22.* Is this form of Journal adapted solely to Farm business?—*23.* Has it any special adaptation to this kind of business?—*24.* May more than six columns be used to advantage?—*25.* How many are often used?

Practical Hints to Farmers.—Page 165.

26. What is the rule for measuring grain?—*27.* How many cubic inches in a bushel?—*28.* Can you measure grain upon the floor?—*29.* How?—*30.* Give the rule for ascertaining the number of cubic feet in a log.—*31.* The rule for ascertaining the capacity of a well or cistern.—*32.* How can you get the approximate weight of cattle by measurement?—*33.* What is the rule for measuring land?